

By Mr. FREAR: Petition of sundry citizens of the State of Wisconsin, favoring national prohibition; to the Committee on the Judiciary.

Also, memorial of Northwestern Wisconsin Buttermakers' Association, protesting against the zone system; to the Committee on Ways and Means.

Also, memorial of Northwest Wisconsin Buttermakers' Association, protesting against lowering tax on oleomargarine; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: Petitions of Trenton Chamber of Commerce, of Trenton, N. J.; the Mansfield Tire & Rubber Co., of Mansfield, Ohio; National Implement & Vehicle Association, of Chicago, Ill.; the Lombard Woman's Club, of Lombard, Ill.; L. M. Mason, of Streator, Ill.; Channing Pollock, of New York City; the faculty of Iowa Wesleyan College, of Mount Pleasant, Iowa; the faculty of Lake Erie College, of Painesville, Ohio; the Wednesday Morning Club, of Cranford, N. J.; the Illinois State Court of the Guardians of Liberty, and Miss Lydia Strawn, of Ottawa, Ill., asking for the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: Petition of the Illinois Conference of the Evangelical Lutheran Augustana Synod, representing a membership of about 65,000 members, for the prohibition of the liquor traffic as a war measure; to the Committee on the Judiciary.

Also, petition of Local Union No. 211, Moline, Ill., United Association of Plumbers and Steam Fitters of the United States, that Thomas Mooney and his associates be set free by May 1, 1918; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of the Minch & Eisenberry Co., Baltimore, Md., opposing the passage of Senate bill 3076 and House bill 9863, relating to use of prison labor; to the Committee on Labor.

Also, petition of the Smith, Dixon Co., urging the repeal of that part of the war-revenue act dealing with second-class postage rates; also petitions of J. F. Durbin & Co. and the Kennedy Foundry Co., favoring partial payment of income and excess-profits taxes; to the Committee on Ways and Means.

Also, petition of Baltimore Typographical Union, No. 12, favoring passage of House bill 8702, for increase in pay of certain employees in Government Printing Office; to the Committee on Appropriations.

Also, petition of the Baltimore Belting Co., opposing an amendment to the food-control act to include hides and leather; to the Committee on Agriculture.

Also, petition of J. L. Perkins, Baltimore, Md., protesting against the passage of House bill 5712, pertaining to the circulation of certain fraternal matter in the mails; to the Committee on the Post Office and Post Roads.

By Mr. RAKER: Memorial of the board of directors of the Women's City Club, of New York, and a telegram from Annie G. Lyle, M. D., San Francisco, Cal., urging legislation to secure military rank for American Army nurses; to the Committee on Military Affairs.

Also, letter from the students and faculty of the Siskiyon Union High School, protesting against the zone system; to the Committee on Ways and Means.

By Mr. STRONG: Petition of citizens of Corsica and vicinity, and of Joseph Somerville and other citizens of East Brady and vicinity, State of Pennsylvania, protesting against zone rate of postage on second-class mail matter; to the Committee on Ways and Means.

By Mr. VARE: Memorial of the Society of Illustrators of America, asking repeal of zone postage rates for second-class matter; to the Committee on Ways and Means.

## SENATE.

WEDNESDAY, May 1, 1918.

(Legislative day of Tuesday, April 30, 1918.)

The Senate met at 12 o'clock noon.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Dillingham	Gronna	Jones, Wash.
Beckham	Fall	Guion	Kellogg
Brandagee	Fernald	Hale	Kirby
Calder	Fletcher	Harding	Knox
Culberson	France	Hardwick	Lenroot
Cummins	Frelinghuysen	Henderson	Lodge
Curtis	Gallinger	Johnson, Cal.	McCumber

McKellar  
McLean  
McNary  
Martin  
Myers  
Nelson  
New  
Nugent

Pittman  
Poindexter  
Pomerene  
Ransdell  
Saulsbury  
Shafroth  
Sheppard  
Sherman

Smith, Md.  
Smoot  
Sterling  
Sutherland  
Swanson  
Thomas  
Thompson  
Tillman

Townsend  
Trammell  
Underwood  
Vardaman  
Wadsworth  
Walsh  
Williams

Mr. BECKHAM. I wish to state that my colleague, the senior Senator from Kentucky [Mr. JAMES], is detained by illness.

Mr. KIRBY. I announce the unavoidable absence of my colleague [Mr. ROBINSON], who is engaged in the liberty-loan campaign.

Mr. SUTHERLAND. I wish to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], is detained from the Senate by illness.

The VICE PRESIDENT. Fifty-nine Senators have answered to the roll call. There is a quorum present.

### WATER-POWER DEVELOPMENT.

The VICE PRESIDENT laid before the Senate a communication from the Chamber of Commerce of the United States of America, transmitting a resolution favoring legislation to make available at the earliest possible date the water powers of the country, together with a tabulation of votes cast by commercial and trade organizations regarding the principles of water-power legislation, which, with the accompanying papers, was referred to the Committee on Commerce.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3803) authorizing the President during the existing emergency to sell supplies, materials, equipment, or other property heretofore or hereafter purchased, acquired, or manufactured by the United States in connection with or incidental to the prosecution of the war.

The message also announced that the House insists upon its amendments to the joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. DENT, Mr. FIELDS, and Mr. KAHN managers at the conference on the part of the House.

The message further transmitted to the Senate resolutions on the life, character, and public services of Hon. CYRUS A. SULLOWAY, late a Representative from the State of New Hampshire.

### PETITIONS AND MEMORIALS.

Mr. WADSWORTH presented a petition of the Publishers' Association of New York City, N. Y., praying for the postponement of the operation of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of the American Defense Society of the State of New York, praying for legislation to punish persons or organizations responsible for pro-German activities, or who interfere with the prosecution of the war, which were referred to the Committee on the Judiciary.

Mr. McLEAN presented petitions of the Progressive Women's League of Hartford, Conn., and of the Equal Franchise League of New Milford, Conn., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

He also presented a petition of the Trades Council of New Haven, Conn., praying for the repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry rural mail carriers of Bridgeport, Stamford, New Britain, Watertown, Norwich, Windsor, and Somers, all in the State of Connecticut, praying for an increase in the salaries of rural mail carriers, which were ordered to lie on the table.

Mr. NELSON presented petitions of the National Rural Letter Carriers' Association, in the State of Minnesota, praying for an increase in the salaries of rural mail carriers, which were ordered to lie on the table.

He also presented a memorial of the Engineering Council of Minnesota, remonstrating against the enactment of legislation penalizing the granting of bonuses or premiums to employees, which was referred to the Committee on Naval Affairs.

Mr. HALE presented a petition of York Pomona Grange, Patrons of Husbandry, of Bar Mills, Me., praying for national prohibition as a war measure, which was referred to the Committee on the Judiciary.

#### BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMPSON:

A bill (S. 4466) granting a pension to Victoria A. Amberg (with accompanying papers); to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 4467) to validate the homestead entry of the heirs of Victoria A. Thomson; to the Committee on Public Lands.

By Mr. HALE:

A bill (S. 4468) granting an increase of pension to John Lerner (with accompanying papers); and

A bill (S. 4469) granting an increase of pension to George W. French (with accompanying papers); to the Committee on Pensions.

By Mr. POMERENE:

A bill (S. 4470) to provide farther for the national security and defense by controlling and regulating rents of real estate in the District of Columbia; to the Committee on the District of Columbia.

#### HOUSING OF GOVERNMENT EMPLOYEES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10265) to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs.

The VICE PRESIDENT. The pending amendment is the amendment of the Senator from New Mexico [Mr. FALL].

Mr. SWANSON. The Senator from Connecticut [Mr. BRANDEGEE] has an amendment which, I think, is agreeable both to the Senator from New Mexico and the chairman of the committee. I ask the Senator from New Mexico if he will not withdraw his amendment.

Mr. FALL. With the understanding that the amendment offered by the Senator from Connecticut is acceptable to the chairman of the committee, I will withdraw my amendment.

Mr. SWANSON. I ask the Secretary to read the amendment of the Senator from Connecticut.

The VICE PRESIDENT. It will be read.

Mr. THOMAS. Mr. President—

The SECRETARY. The Senator from Connecticut [Mr. BRANDEGEE] had printed the following amendment:

At the end of line 5, on page 6, add the following: "Such property shall be sold as soon after the conclusion of the war as it can be advantageously done."

Mr. SWANSON. I accept that amendment. I think it ought to be adopted.

The VICE PRESIDENT. Does the Senator from Colorado desire to discuss the amendment?

Mr. THOMAS. No, sir; I shall take the floor later.

The VICE PRESIDENT. Is there any discussion on the amendment?

Mr. SMOOT. I ask the Secretary to read this section as it would read with the amendment offered by the Senator from Connecticut.

The Secretary read as follows:

Sec. 5. That the power and authority granted herein shall cease with the termination of the present war, except the power and authority to care for, sell, or rent such property as remains undisposed of and to conclude and execute contracts for the sale of property made during the war. Such property shall be sold as soon after the conclusion of the war as it can be advantageously done.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. BRANDEGEE].

The amendment was agreed to.

Mr. THOMAS. Mr. President, the Washington Post of this morning in publishing an account of the proceedings of the Senate upon this bill yesterday announced among other things in its headlines the following:

THOMAS wants President to confiscate houses of rich for workers.

In the body of the article it is stated:

Senator THOMAS thinks there are too many wealthy persons living in Washington at this time merely because they like the glamour and excitement of the country's war preparations. He wants to have the President confiscate their houses and turn them over to employees of the Government who have to be here.

I call attention to it merely for the purpose of stating that I said no such thing. I am not and never have been in favor of

confiscation, either direct or indirect. What I did say, and what I wish to repeat, is that there are transients in this city who have no business here beyond the gratification of their own pleasure and curiosity. They do not live here, not being permanent residents, and just at present their room is certainly preferable to their company. My statement was and is that it would be a good thing if the President could by proclamation request that class of people to go elsewhere during the war and thus relieve this community of the burden of their support and also of the houses which they occupy.

I also said, and I repeat, that as to such persons the Government should under the provisions of this bill be authorized to take possession of their dwellings—not by way of confiscation, but after making compensation—so that those who must be here will have a greater opportunity of securing shelter during their enforced residence in the city of Washington.

Mr. SWANSON. If there are no more amendments as in Committee of the Whole—

The VICE PRESIDENT. There is a committee amendment that has not been acted upon.

Mr. SWANSON. Very well; let it be stated.

The SECRETARY. On page 7, section 7, the committee proposes, beginning with line 8, with the word "nor," to strike out the following words: "nor shall any contract be let until at least three responsible competing contractors shall have been notified and considered in connection with such contracts," and to insert "No contract for more than \$50,000 shall be let except to the lowest responsible bidder after due notice is given, the bids to be opened in the presence of such bidders, the Government reserving the right to reject any and all bids."

Mr. GALLINGER. Mr. President—

Mr. NEW. I offer a substitute for the amendment.

Mr. GALLINGER. Addressing myself to the Senator from Virginia, I will ask the Senator if he does not think that \$25,000 would be a sufficiently large sum to let without competition instead of \$50,000?

Mr. SWANSON. I doubt the wisdom of requiring all these contracts to be let to the highest bidder. This amendment was put in by the committee, and I reserved the right to state my reasons against it. I thought it would delay this work a great deal. Instead of making the sum less I thought possibly it ought to be made larger.

Mr. GALLINGER. A great many of the buildings that are being provided for will be of very cheap construction and rather small, I think, in size, scattered over the country; and it seems to me that in the case of a \$50,000 structure there would be very little competition, if any.

Mr. SWANSON. If the Senator will permit me, in order to get bids for every little building costing only \$2,000 specifications with the utmost detail would have to be made and submitted and these people would have to make estimates in order to arrange their bids. I have an idea that the House provision is really better than this provision, and I reserved the right to state my reasons to the Senate, though as chairman of the committee I did not feel like I ought to offer an amendment. I have an idea that we could get a percentage contract which would be limited by which people would construct these buildings. Speed is the essence of this entire matter, and if you make it less than \$50,000 I am afraid the bill will be very much hampered.

Mr. GALLINGER. Can it be possible that they are going to squander any considerable part of this money in getting plans from architects and specifications of various kinds for constructing these temporary buildings?

Mr. SWANSON. But the Senator must remember if they get bids in order to accept the contract specifications must be made.

Mr. GALLINGER. Oh, yes; of course, to some extent.

Mr. SWANSON. If you have a building worth \$10,000 to construct, before you can get at the highest bidder you have to put in specifications for material and plumbing, and the entire detail must be fixed. I have an idea that that would occasion a great deal of delay. I think \$50,000, instead of being too high, is really too low.

Mr. GALLINGER. As this matter, if amended, will go to conference, I am going to venture an amendment to strike out "\$50,000" and insert "\$25,000," and test the sense of the Senate on the question.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. In the committee amendment, page 7, line 11, strike out "\$50,000" and insert "\$25,000," so as to read:

No contract for more than \$25,000 shall be let except to the lowest responsible bidder after due notice is given, the bids to be opened in the presence of such bidders, the Government reserving the right to reject any and all bids.



Mr. SMOOT. Mr. President, I want to call the attention of the Senate to the House provision, which I think is much safer and will work better than the amendment reported by the committee. The House had this provision, which was stricken out, and the Senate amendment inserted in its place:

Nor shall any contract be let until at least three responsible competing contractors shall have been notified and considered in connection with such contract.

The provision as passed by the House provides that there shall be no buildings erected unless there are three responsible bidders. The Senate committee amendment provides that if there should be 20 buildings at \$2,000 apiece, or \$40,000, such a contract can be let without a bidder, and to anybody to whom the board sees fit to let the contract, whereas if the House provision prevails—and it ought to prevail—and the Senate committee amendment disagreed to, if the contract is for a million dollars, three responsible bidders must be secured; if it is for \$50,000, three responsible bidders must be secured; if for \$25,000, three responsible bidders must be secured. It seems to me that we ought to defeat the amendment offered by the committee and let the House provision stand with an amendment. It is the safest thing for the Government, and I hope the Senate amendment will be disagreed to.

Mr. KIRBY. I should like to ask the Senator a question.

Mr. SMOOT. Certainly.

Mr. SWANSON. Will the Senator yield to me for a moment?

The VICE PRESIDENT. The Senator from Utah has yielded to the Senator from Arkansas.

Mr. KIRBY. Why not insert the word "and" before the word "not" in the Senate committee amendment and let both these propositions stand in the bill?

Mr. SMOOT. If we did that, there would be a conflict between the two provisions.

Mr. KIRBY. No; the bids are not to be let until they are first considered by three responsible contractors, but it does not say they shall let the contracts to the lowest bidder. Then, why not say that no amount of work for less than \$50,000 shall be let except to the lowest bidder? Both provisions might well stand in the bill.

Mr. NEW. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Indiana?

Mr. SMOOT. I yield to the Senator.

Mr. NEW. I have an amendment which I am offering as a substitute to section 7 which, if adopted, would clear up this whole situation.

Mr. SMOOT. May I ask if it is in the way of a substitute for section 7?

Mr. NEW. It is a substitute for section 7.

Mr. SMOOT. May I ask that the Senator's substitute be read at this time so that we may see just what it provides.

The VICE PRESIDENT. It will be read.

The SECRETARY. The Senator from Indiana [Mr. NEW] will propose the following substitute for section 7:

SEC. 7. That no work to be done or contract to be made under or by authority of any provision of this act shall be done or made on or under a cost-plus percentage basis, unless the same be made to include an upset fee, nor shall any contract be let until at least three responsible competing contractors shall have been notified and considered in connection with such contracts.

Mr. NEW. Mr. President, if it is in order for me to do so, I should like to address myself for a few moments to that amendment.

Mr. SMOOT. I will yield the floor at this time in order that the Senator may now make his statement.

Mr. NEW. Mr. President, I am moved to offer this amendment in the interest of economy—economy financially and economy of time—which, I understand, is, after all, the chief element to be considered in the passage of "his bill." What I have to say on this amendment will be based principally on my own experience as a building contractor. Until about a year ago I was engaged in that business, and I think I know something of the difficulties that will arise if this committee amendment is adopted.

I understand full well, Mr. President, that the motive of the committee in drawing this amendment, the motive of the Senator from New Hampshire [Mr. GALLINGER] in what he has just had to say, and that of the Senator from Utah [Mr. SMOOT] in what he has had to say, are of the most commendable character, and I very cordially share those motives; but I think that what they have said is based upon a misapprehension of the conditions under which this new work must go forward. I know that in the earlier contracts which were let here by the Quartermaster Department of the Army for the original training-camp structures there was a great deal of scandal, and I am sure that a great deal of money was wasted. I think I know of instances

myself where money was thrown away in the most reckless fashion; but the very fact that that was done resulted in the assembling here in Washington of a committee to consider the question of future contracts, and to devise a form of contract that would protect the interests of the Government and meet the demands of the emergency.

Mr. SMOOT. Mr. President, will the Senator yield to me for just a moment?

Mr. NEW. Certainly.

Mr. SMOOT. Let me suggest to the Senator that he add to his amendment the words which I shall propose. Then I will ask the Senator if he will not request the Senator from Virginia [Mr. SWANSON] having the bill in charge to accept the amendment as amended? I suggest that the Senator add these words to his amendment: "and all contracts to be awarded to the lowest responsible bidder."

Mr. GALLINGER. Mr. President, if the Senator from Indiana will permit me, I will call attention to the fact that my amendment proposes to amend the original text of the bill, which will have priority over the amendment of the Senator from Indiana to substitute his amendment. I presume that I should be in favor of the substitute, but still I want a vote first on the amendment which I have offered.

Mr. NEW. Mr. President, I can not at this time accept the suggestion of the Senator from Utah [Mr. SMOOT], for reasons that will appear as I proceed with this argument.

As I have said, a committee was assembled here in Washington for the purpose of devising a form of contract which would meet the emergency and protect the interests of the Government. Let us see who comprise that committee. The first name is that of Mr. John R. Alpine, who is the general president of the United Association of Plumbers and Steamfitters, who represented the American Federation of Labor; Mr. Frederick L. Cranford, president of the General Contractors' Association of New York; Mr. Charles T. Main, president of the American Society of Mechanical Engineers, of Boston; Mr. John Lawrence Mauran, president of the American Institute of Architects, of St. Louis; Mr. Oscar A. Reum, representative of the president of the Building Construction Employers' Association, of Chicago; Mr. R. G. Rhett, president of the American Chamber of Commerce; Mr. E. W. Rice, president of the American Institute of Electrical Engineers, of Schenectady; and Mr. A. N. Talbot, president of the American Society of Civil Engineers.

Mr. President, a more representative or a more competent committee than that could not possibly have been assembled. They met, they considered this whole question and the abuses of all the systems which might be employed. They made their findings, they discussed in a report all the different forms of contract, and I shall read very briefly from their report. Referring to the lump-sum contract, which is the one contemplated in the amendment which has been offered by the Senator from Utah, and also that offered by the Senator from New Hampshire, they say:

A few years ago the lump-sum contract was the one most commonly employed, and for it were claimed many advantages for both parties thereto which are to-day found to exist in all the contractual instruments which are equitably drawn. There could be no possible objections to the lump-sum contract were the Government dealing with clearly delineated problems to be executed under stable peace conditions, always provided that the bidders be selected for their fitness and capability to properly perform the work, but the committee finds the following vital defects, which it begs to call to your attention:

No steps may be taken until drawings and specifications are complete, the bids taken, and the contract awarded, and thus would be lost those precious months which may be measured not in dollars but in lives.

The history of war-emergency construction shows the development of many projects, originally small by comparison, into works of great magnitude and importance, and for such development the "lump-sum" plan is too inflexible to operate satisfactorily; administration costs must be increased in adjusting important changes, while inequities and dissatisfaction are bound to arise.

At the conclusion of their consideration of this question they say:

Your committee advises, therefore, that the "lump-sum" method be not used.

After considering all other forms of contract, the committee makes this recommendation:

Having advised, therefore, that these various forms be not used, and for the reasons stated, the committee unanimously concurs in advocating what may be termed the cost plus, a sliding-scale fee scheme of contract for both general contracts and subcontracts. In its general application it enjoys the same confidence in the building world as to the equities as does the lump-sum contract, as is evidenced by its very extensive use. Its essential features are its applicability to projects great and small—its extreme flexibility with automatic adjustment of all variations in plan and scope.

Then further:

The general form of contract now in use by the cantonment division in which the percentage decreases as the cost increases, and is broken by fixed fees at intervals, seems calculated to effectually check, if not

prevent this tendency. Moreover, under the contract proposed the Government retains the right to control the prices of most materials and of labor. Under these circumstances it does not seem to the committee that such an objection would have any force in relation to this form of contract.

The objection referred to being that the contractors might increase the cost in order to increase their fees.

Mr. President, that is the recommendation, as I say, made by the most representative committee that could have been assembled in this country to consider that question.

Mr. McCUMBER. Mr. President, the Senator says that that was one of the most representative committees. They represented the building contractors and they represented the laboring element, whose work should be supplied—

Mr. NEW. Not at all, sir.

Mr. McCUMBER. Who represented the interest of the taxpayer in this wonderful commission?

Mr. NEW. Mr. President, I think that question is fairly well answered in the character of these men. Who were they? Here is Mr. A. N. Talbot, president of the American Society of Civil Engineers. He does not represent any labor organization; he does not represent any interest. He is a disinterested commissioner.

Mr. R. G. Rhett, president of the Chamber of Commerce of the United States, certainly represents the taxpayers' interest. Mr. Mauran, president of the American Institute of Architects, is another. Those are men who are interested in the building business and who understand it.

Mr. McCUMBER. Yes; I must admit that; but the Senator has not given the name of anyone who represented the interest of the Government, which is supposed to represent the interest of the people that there should be some degree of economy in this work.

Mr. NEW. Well, Mr. President, I certainly think that these men—the president of the United States Chamber of Commerce, the president of the American Institute of Architects, the president of the American Society of Civil Engineers, and the president of the American Society of Electrical Engineers, and others named—while, of course, they are not employees of the Government of the United States and are not the employees of anyone else, are the heads of some of the most representative business institutions there are in this country, and they are directly interested in and familiar with building work.

Mr. President, a few words on this matter, because I think it is worthy of very serious consideration. Under the lump-sum contract no contractor can possibly make a bid until he is supplied with plans and specifications for the job, which must be furnished by the architect. The contractor must know the topography of the ground on which the building is to be located; he must know something of the soil conditions; he must have the plans in order that he may then figure out how much steel, how much cement, how much lumber, and how much of every other kind of material is to go into the construction; and he can not possibly figure those things unless he has the plans. How long will it take to furnish those plans? I say to the Senate that for a project involving the expenditure of a million dollars it will take not less than three months, and more likely nine months, to prepare plans for that kind of a building project.

After that, the contractor is required to take time to figure those things in his own office; he must go all over the plans and make his own estimate. That will require more time; and unless, Mr. President, this bill is to be merely a sociological fantasy we should adopt some system that will permit the completion of this work during the present war. That is the only object I have in presenting this amendment. I know that it is totally impracticable—and I will go further and say absolutely impossible—to get this big work done under the system that is proposed in the committee amendment with anything like reasonable expedition. There will be a delay of months.

Mr. President, the form of contract that was recommended by the committee, to which I have referred, provides for the cost-plus plan, limited, however, by an upset fee in every case. For a job that costs \$100,000 or less a fee of 7 per cent is allowed the contractor, and the fees run from that up to \$250,000 if the work costs \$10,000,000 or more, or 2½ per cent of the total if the cost is over \$9,000,000 and under \$10,000,000. The fees allowed the contractor, in other words, run from 7 per cent on the smaller jobs to 2½ per cent on the larger jobs.

Mr. President, the contractor who would make a bid on a job of that kind, allowing himself a margin of 2½ per cent, would be a crazy contractor; and, if not crazy before he made that sort of a bid, he would become so very shortly afterwards.

Furthermore, Mr. President, I do not believe that any contracting firm, I do not care how responsible they are, could get banking facilities or be financed on a bid they would show to the bank allowing them a profit of only 2½ per cent. If they have

a guarantee that is another proposition; but no bank would finance a building contractor who could show to the bank that he had only figured on a profit of 2½ per cent or less to himself or to his firm.

Mr. CALDER. Mr. President—

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from New York?

Mr. NEW. Certainly.

Mr. CALDER. The Senator from Indiana suggests that 2½ per cent profit on a contract is not sufficient. I quite agree with him that ordinarily it would hardly cover even a small portion of the overhead charges; but if the Government contracts to pay the entire cost of the operation and the contractor takes no risk whatever and then receives 2½ per cent profit, that is a different thing.

Mr. NEW. The Senator and I are in complete accord. I say that if the Government says to the contractor, "We will pay you a fee of 2½ per cent," that is all right; the Government gives a guaranty; and he is certainly entitled to it. It is, as the Senator from Pennsylvania [Mr. Knox] suggests, sotto voce, a mere commission; but the point I make is that where the contractor has to take the plans and sit down and figure the cost of the work, he would be worse than crazy to figure only 2½ per cent profit to himself and take all the risk. It is utterly and absolutely impossible, as I think the Senator from New York will readily admit.

Mr. CALDER. I quite agree that no man could afford to take a risk of that character; and no reputable man would do so.

Mr. NEW. Of course not. The result would be just as the Senator from New York says, that no reputable man would take the contract. Now, what is going to be the result? Every little twopenny contractor who is willing to take a gamble would bid on these jobs, and, if the law provides that the contract has to be let to the lowest bidder, the work is going to be placed in the hands of people who are utterly incompetent to carry on the construction either in a short period of time or in a long period of time. That is the fact of the matter.

The truth is, Mr. President—and we might as well all realize it—that all this Government building must be done under the most unusual conditions. Time is the chief element here. The financial interest of the Government is amply protected in this form of contract which has been suggested by the entirely disinterested and certainly most competent members of this committee.

Mr. McCUMBER. Mr. President, will the Senator read the portion of the contract which protects the Government in the respect he has suggested?

Mr. NEW. I will say to the Senator that it is quite a long contract. May I summarize it? I will put it in the Record if the Senator wishes; but it provides that the Government, of course, pays the cost, and it allows the contractor, under \$100,000, 7 per cent for doing his work, and the fees vary, then, until they run up to the larger jobs, where the fee is narrowed down to a limit of 2½ per cent. That is a matter of contract. The contractor, it should be understood, is allowed nothing for his overhead expense, nothing for his interest, nothing of that sort. All of those things must be paid by him; but what he gets is an upset fee of a very limited percentage.

I will put this contract in the Record, if I may be permitted to do so, Mr. President.

The VICE PRESIDENT. Without objection, it is so ordered.

The contract referred to is as follows:

#### CONTRACT FOR EMERGENCY WORK.

Construction of \_\_\_\_\_  
Contract made and concluded this \_\_\_\_\_ day of \_\_\_\_\_, 191\_\_\_\_, by and between \_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_, represented by \_\_\_\_\_, its president, party of the first part (hereinafter called contractor), and the United States of America, by \_\_\_\_\_ (hereinafter called contracting officer), acting by authority of the Secretary of War, party of the second part.

Whereas the Congress having declared by joint resolution approved April 6, 1917, that war exists between the United States of America and Germany, a national emergency exists and the United States urgently requires the immediate performance of the work hereinafter described, and it is necessary that said work shall be completed within the shortest possible time; and

Whereas it is advisable, under the disturbed conditions which exist in the contracting industry throughout the country, for the United States to depart from the usual procedure in the matter of letting contracts and adopt means that will insure the most expeditious results; and

Whereas the contractor has had experience in the execution of similar work, has an organization suitable for the performance of such work, and is ready to undertake the same upon the terms and conditions herein provided;

Now, therefore, this contract witnesseth, That in consideration of the premises and of the payments to be made as hereinafter provided, the contractor hereby covenants and agrees to and with the contracting officer as follows:



## ARTICLE I.

Extent of the work: The contractor shall, in the shortest possible time, furnish the labor, material, tools, machinery, equipment, facilities, and supplies, and do all things necessary for the construction and completion of the following work: \_\_\_\_\_ in accordance with the drawings and specifications to be furnished by the contracting officer, and subject in every detail to his supervision, direction, and instruction.

The contracting officer may, from time to time, by written instructions or drawings issued to the contractor, make changes in said drawings and specifications, issue additional instructions, require additional work, or direct the omission of work previously ordered, and the provisions of this contract shall apply to all such changes, modifications, and additions with the same effect as if they were embodied in the original drawings and specifications. The contractor shall comply with all such written instructions or drawings.

The title to all work completed or in course of construction shall be in the United States; and upon delivery at the site of the work, and upon inspection and acceptance in writing by the contracting officer, all machinery, equipment, hand tools, supplies, and materials, for which the contractor shall be entitled to be reimbursed under paragraph (a) of Article II hereof, shall become the property of the United States. These provisions as to title shall not operate to relieve the contractor from any duties imposed hereby or by the contracting officer.

## ARTICLE II.

Cost of the work: The contractor shall be reimbursed in the manner hereinafter described for such of its actual net expenditures in the performance of said work as may be approved or ratified by the contracting officer and as are included in the following items:

(a) All labor, material, machinery, hand tools not owned by the workmen, supplies and equipment, necessary for either temporary or permanent use for the benefit of said work; but this shall not be construed to cover machinery or equipment mentioned in section (c) of this article. The contractor shall make no departure from the standard rate of wages being paid in the locality where said work is being done, without the prior consent and approval of the contracting officer.

(b) All subcontracts made in accordance with the provisions of this agreement.

(c) Rental actually paid by the contractor, at rates not to exceed those mentioned in the schedule of rental rates hereto attached, for construction plant in sound and workable condition, such as pumps, derricks, concrete mixers, boilers, clam-shell or other buckets, electric motors, electric drills, electric hammers, electric hoists, steam shovels, locomotive cranes, power saws, engineers' levels and transits, and such other equipment as may be necessary for the proper and economical prosecution of the work.

Rental to the contractor for such construction plant or parts thereof as it may own and furnish, at the rates mentioned in the schedule of rental rates hereto attached, except as hereinafter set forth. When such construction plant or any part thereof shall arrive at the site of the work, the contractor shall file with the contracting officer a schedule setting forth the fair valuation at that time of each part of such construction plant. Such valuation shall be deemed final, unless the contracting officer shall, within five days after the machinery has been set up and is working, modify or change such valuation, in which event the valuation so made by the contracting officer shall be deemed final. When and if the total rental paid to the contractor for any such part shall equal the valuation thereof, no further rental therefor shall be paid to the contractor, and title thereto shall vest in the United States. At the completion of the work the contracting officer may at his option purchase for the United States any part of such construction plant then owned by the contractor by paying to the contractor the difference between the valuation of such part or parts and the total rentals theretofore paid therefor.

Rates of rental as substitutes for such scheduled rental rates may be agreed upon in writing between the contractor and the contracting officer, such rates to be in conformity with rates of rental charged in the particular territory in which the work covered by this contract is to be performed. If the contracting officer shall furnish or supply any such equipment the contractor shall not be allowed any rental therefor and shall receive no fee for the use of such equipment.

(d) Loading and unloading such construction plant, the transportation thereof to and from the place or places where it is to be used in connection with said work, subject to the provisions hereinafter set forth, the installation and dismantling thereof, and ordinary repairs and replacements during its use in the said work.

(e) Transportation and expenses to and from the work of the necessary field forces for the economical and successful prosecution of the work, procuring labor and expediting the production and transportation of material and equipment.

(f) Salaries of resident engineers, superintendents, timekeepers, foremen, and other employees at the field offices of the contractor in connection with said work. In case the full time of any field employee of the contractor is not applied to said work but is divided between said work and other work, his salary shall be included in this item only in proportion to the actual time applied to this work.

(g) Buildings and equipment required for necessary field offices, commissary, and hospital and the cost of maintaining and operating said offices, commissary, and hospital, including such minor expenses as telegrams, telephone service, expressage, postage, etc.

(h) Such bonds, fire, public liability, employers' liability, workmen's compensation, and other insurance as the contracting officer may approve or require and such losses and expenses, not compensated by insurance or otherwise, as are found and certified by the contracting officer to have been actually sustained (including settlements made with the written consent and approval of the contracting officer) by the contractor in connection with said work, and to have clearly resulted from causes other than the fault or neglect of the contractor. Such losses and expenses shall not be included in the cost of the work for the purpose of determining the contractor's fee. The cost of reconstruction and replacing any of the work destroyed or damaged shall be included in the cost of the work for the purpose of reimbursement to the contractor, but not for the purpose of determining the contractor's fee, except as hereinafter provided.

(i) Permit fees, deposits, royalties, and other similar items of expense incidental to the execution of this contract, and necessarily incurred. Expenditures under this item must be approved in advance by the contracting officer.

(j) Such proportion of the transportation, traveling, and hotel expenses of officers, engineers, and other employees of the contractor as is actually incurred in connection with this work.

(k) Such other items as should in the opinion of the contracting officer be included in the cost of the work. When such an item is allowed by the contracting officer it shall be specifically certified as being allowed under this paragraph.

The United States reserves the right to pay directly to common carriers any or all freight charges on material of all kinds, and machinery, furnished under this contract, and certified by the contracting officer as being for installation or for consumption in the course of the work hereunder; the contractor shall be reimbursed for such freight charges of this character as it shall pay and as shall be specifically certified by the contracting officer; but the contractor shall have no fee based on such expenditures. Freight charges paid by the contractor for transportation of construction equipment, construction plant, tools, and supplies of every character shall be treated as part of the cost of the work upon which the contractor's fee shall be based, provided that charges for transportation of such construction equipment, construction plant, and tools over distances in excess of 500 miles shall require the special approval of the contracting officer.

No salaries of the contractor's executive officers, no part of the expense incurred in conducting the contractor's main office or regularly established branch office, and no overhead expenses of any kind, except as specifically listed above, shall be included in the cost of the work, nor shall any interest on capital employed or on borrowed money be included in the cost of the work.

The contractor shall take advantage to the extent of its ability of all discounts available, and when unable to take such advantage shall promptly notify the contracting officer of its inability and its reasons therefor.

All revenue from the operations of the commissary, hospital, or other facilities, or from rebates, refunds, etc., shall be accounted for by the contractor and applied in reduction of the cost of the work.

## ARTICLE III.

Determination of fee: As full compensation for the services of the contractor, including profit and all general overhead expense, except as herein specifically provided, the contracting officer shall pay to the contractor in the manner hereinafter prescribed a fee to be determined at the time of completion of the work from the following schedule, except as hereinafter otherwise provided:

If the cost of the work is \$100,000 or under, a fee of 7 per cent of such cost.

If the cost of the work is over \$100,000 and under \$125,000, a fee of \$7,000.

If the cost of the work is over \$125,000 and under \$450,000, a fee of 6½ per cent.

If the cost of the work is over \$450,000 and under \$500,000, a fee of \$29,250.

If the cost of the work is over \$500,000 and under \$1,000,000, a fee of 6 per cent.

If the cost of the work is over \$1,000,000 and under \$1,100,000, a fee of \$60,000.

If the cost of the work is over \$1,100,000 and under \$1,500,000, a fee of 5½ per cent.

If the cost of the work is over \$1,500,000 and under \$1,650,000, a fee of \$82,500.

If the cost of the work is over \$1,650,000 and under \$2,200,000, a fee of 5 per cent.

If the cost of the work is over \$2,200,000 and under \$2,450,000, a fee of \$110,000.

If the cost of the work is over \$2,450,000 and under \$2,850,000, a fee of 4½ per cent.

If the cost of the work is over \$2,850,000 and under \$3,250,000, a fee of \$128,250.

If the cost of the work is over \$3,250,000 and under \$4,000,000, a fee of 4 per cent.

If the cost of the work is over \$4,000,000 and under \$4,250,000, a fee of \$160,000.

If the cost of the work is over \$4,250,000 and under \$4,775,000, a fee of 3½ per cent.

If the cost of the work is over \$4,775,000 and under \$5,175,000, a fee of \$179,062.50.

If the cost of the work is over \$5,175,000 and under \$5,725,000, a fee of 3½ per cent.

If the cost of the work is over \$5,725,000 and under \$6,225,000, a fee of \$200,375.

If the cost of the work is over \$6,225,000 and under \$6,825,000, a fee of 3½ per cent.

If the cost of the work is over \$6,825,000 and under \$7,400,000, a fee of \$221,812.50.

If the cost of the work is over \$7,400,000 and under \$7,750,000, a fee of 3 per cent.

If the cost of the work is over \$7,750,000 and under \$8,350,000, a fee of \$235,500.

If the cost of the work is over \$8,350,000 and under \$8,800,000, a fee of 2½ per cent.

If the cost of the work is over \$8,800,000 and under \$9,650,000, a fee of \$242,000.

If the cost of the work is over \$9,650,000 and under \$10,000,000, a fee of 2½ per cent.

If the cost of the work is over \$10,000,000, a fee of \$250,000.

Provided, however, that the fee upon such part of the cost of the work as is represented by payments to subcontractors, under subdivision (b) of Article II hereof, shall in each of the above contingencies be 2½ per cent and no more of the amount of such part of the cost.

The cost of materials purchased or furnished by the contracting officer for said work, exclusive of all freight charges thereon, shall be included in the cost of the work for the purpose of reckoning such fee to the contractor, but for no other purpose.

The fee for reconstructing and replacing any of the work destroyed or damaged shall be such percentage of the cost thereof—not exceeding 7 per cent—as the contracting officer may determine.

The total fee to the contractor hereunder shall in no event exceed the sum of \_\_\_\_\_, anything in this agreement to the contrary notwithstanding.

## ARTICLE IV.

Payments: On or about the 7th day of each month the contracting officer and the contractor shall prepare a statement showing as completely as possible: (1) The cost of the work up to and including the last day of the previous month; (2) the cost of the materials furnished by the contracting officer up to and including such last day; and (3) an amount equal to 2½ per cent, except as herein otherwise provided, of the sum of (1) and (2) on account of the contractor's fee; and the

contractor at such time shall deliver to the contracting officer original signed pay rolls for labor, original invoices for materials purchased, and all other original papers not theretofore delivered supporting expenditures claimed by the contractor to be included in the cost of the work. If there be any item or items entering into such statement upon which the contractor and the contracting officer can not agree, the decision of the contracting officer as to such disputed item or items shall govern. The contracting officer shall then pay to the contractor on or about the 9th day of each month the cost of the work mentioned in (1) and the fee mentioned in (2) of such statement, less all previous payments. When the statement above mentioned includes any work of reconstructing and replacing work destroyed or damaged, the payment on account of the fee in (3) for such reconstruction and replacement work shall be computed at such rate, not exceeding 2½ per cent, as the contracting officer may determine. The statement so made and all payments made thereon shall be final and binding upon both parties hereto, except as provided in Article XIV hereof. The contracting officer may also make payments at more frequent intervals for the purpose of enabling the contractor to take advantage of discounts at intervals between the dates above mentioned or for other lawful purposes. Upon final completion of said work the contracting officer shall pay to the contractor the unpaid balance of the cost of the work and of the fee as determined under Articles II and III hereof.

#### ARTICLE V.

Inspection and audit: The contracting officer shall at all times be afforded proper facilities for inspection of the work and shall at all times have access to the premises, to the work and material, and to all books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memoranda of every description of the contractor pertaining to said work; and the contractor shall preserve for a period of two years after its completion or cessation of work under this contract all the books, records, and other papers just mentioned. Any duly authorized representative of the contractor shall be accorded the privilege of examining the books, records, and papers of the contracting officer relating to said work for the purpose of checking up and verifying the cost of said work. The system of accounting to be employed by the contractor shall be such as is satisfactory to the contracting officer.

If at any time the contracting officer shall find that bills for labor, material, or other bills legitimately incurred by the contractor hereunder are not promptly paid by the contractor, the contracting officer may, in his discretion, refuse to make further payments to the contractor until all such obligations past due shall have been paid. Should the contractor neglect or refuse to pay such bills within five days after notice from the contracting officer so to do, then the contracting officer shall have the right to pay such bills directly, in which event such direct payments shall not be included in the cost of the work.

#### ARTICLE VI.

Special requirements: The contractor hereby agrees that it will:

- (a) Begin the work herein specified at the earliest time practicable, and diligently proceed so that such work may be completed at the earliest possible date.
- (b) Promptly pay for all labor, material, or other service rendered.
- (c) Procure and thereafter maintain such insurance in such forms and in such amounts and for such periods of time as the contracting officer may approve or require.
- (d) Procure all necessary permits and licenses, and obey and abide by all laws, regulations, ordinances, and other rules applying to such work, of the United States of America, of the State or Territory wherein such work is done, of any subdivision thereof, or of any duly constituted public authority.
- (e) Unless this provision is waived by the contracting officer, insert in every contract made by it for the furnishing to it of services, materials, supplies, machinery, and equipment, or the use thereof, for the purposes of the work hereunder, a provision that such contract is assignable to the United States; will make all such contracts in its own name, and will not bind or purport to bind the United States or the contracting officer thereunder.
- (f) In every subcontract made in accordance with the provisions hereof, require the subcontractor to agree to comply fully with all the undertakings and obligations of the contractor herein, excepting such as do not apply to such subcontractor's work.
- (g) At all times keep at the site of the work a duly appointed representative who shall receive and execute on the part of the contractor such notices, directions, and instructions as the contracting officer may desire to give.
- (h) At all times use its best efforts in all its acts hereunder to protect and subserve the interest of the contracting officer and the United States.

#### ARTICLE VII.

Right to terminate contract: Should the contractor at any time refuse, neglect, or fail in any respect to prosecute the work with promptness and diligence, or default in the performance of any of the agreements herein contained, the contracting officer may, at his option, after five days' written notice to the contractor, terminate this contract, and may enter upon the premises and take possession, for the purpose of completing said work, of all materials, tools, equipment, and appliances, and all options, privileges, and rights, and may complete, or employ any other person or persons to complete said work. In case of such termination of the contract, the contracting officer shall pay to the contractor such amounts of money on account of the unpaid balance of the cost of the work and of the fee as will result in fully reimbursing the contractor for the cost of the work up to the time of such termination, plus a fee computed thereon at the rate or rates for monthly payments set forth in Article IV hereof; and the contracting officer shall also pay to the contractor compensation, either by purchase or rental, at the election of the contracting officer, for any equipment retained; such compensation, in the event of rental, to be in accordance with paragraph (c) of Article II, and in the event of purchase to be based upon the valuation, determined by the contracting officer as of the time of his taking such possession. The contractor hereby agrees that such payments when made shall constitute full settlement of all claims of the contractor against the contracting officer and the United States or either of them for money claimed to be due to the contractor for any reason whatsoever. In case of such termination of the contract the contracting officer shall further assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore in good faith undertaken or incurred in connection with said work, and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. When the contracting officer shall

have performed the duties incumbent upon him under the provisions of this article, the contracting officer shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

#### ARTICLE VIII.

Abandonment of work by contracting officer: If conditions should arise which, in the opinion of the contracting officer, make it advisable or necessary to cease work under this contract, the contracting officer may abandon the work and terminate this contract. In such case the contracting officer shall assume and become liable for all such obligations, commitments, and unliquidated claims as the contractor may have theretofore, in good faith, undertaken or incurred in connection with said work; and the contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers, and take all such steps as the contracting officer may require for the purpose of fully vesting in him the rights and benefits of the contractor under such obligations or commitments. The contracting officer shall pay to the contractor such an amount of money on account of the unpaid balance of the cost of the work and of the fee as will result in the contractor receiving full reimbursement for the cost of the work up to the time of such abandonment, plus a fee to be computed in the following manner: To the cost of the work up to the time of such abandonment shall be added the amount of the contractual obligations or commitments assumed by the contracting officer, and such total shall be treated as the cost of the work, upon which the fee shall be computed in accordance with the provisions of Article III hereof. When the contracting officer shall have performed the duties incumbent upon him under the provisions of this article, the contracting officer and the United States shall thereafter be entirely released and discharged of and from any and all demands, actions, or claims of any kind on the part of the contractor hereunder or on account hereof.

#### ARTICLE IX.

Bond: The contractor shall, prior to commencing the said work, furnish a bond, with sureties satisfactory to the contracting officer, in the sum of \$—, conditioned upon its full and faithful performance of all the terms, conditions, and provisions of this contract, and upon its prompt payment of all bills for labor, material, or other service furnished to the contractor.

#### ARTICLE X.

Convict labor: No person or persons shall be employed in the performance of this contract who are undergoing sentence of imprisonment at hard labor imposed by the courts of any of the several States, Territories, or municipalities having criminal jurisdiction.

#### ARTICLE XI.

Hours and conditions of labor: No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, such prohibition being in accordance with the act approved June 19, 1912, limiting the hours of daily service of mechanics and laborers on work under contracts to which the United States is a party. For each violation of the requirements of this article a penalty of \$5 shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which said employee is required or permitted to labor more than eight hours upon said work, and all penalties thus imposed shall be withheld for the use and benefit of the United States: *Provided*, That this paragraph shall not be enforced nor shall any penalty be exacted in case such violation shall occur while there is in effect any valid Executive order suspending the provisions of said act approved June 19, 1912, or waiving the provisions and stipulations thereof with respect to either this contract or any class of contracts in which this contract shall be included, or when the violation shall be due to any extraordinary events or conditions of manufacture, or to any emergency caused by fire, famine, or flood, by danger to life or property, or by other extraordinary events or conditions on account of which, by subsequent Executive order, such past violation shall have been excused.

In the event of any dispute with reference to wages, hours, or other conditions appertaining to said work, between the Contractor or any subcontractor and labor employed by him on said work, the contractor or subcontractor shall immediately notify the contracting officer of the existence of such dispute and the reasons therefor. The contracting officer may, at his option, instruct the contractor or subcontractor involved in such dispute as to the method or steps which the contractor or subcontractor should follow with reference thereto, and the contractor or subcontractor shall thereupon comply with such instructions.

#### ARTICLE XII.

Right to transfer or sublet: Neither this contract, nor any interest therein, shall be assigned or transferred. The contractor shall not enter into any subcontract for any part of the work herein specified without the consent and approval in writing of the contracting officer. In case of such assignment, transfer, or subletting without the consent and approval, in writing, of the contracting officer, the contracting officer may refuse to carry out this contract either with the transferor or transferee, but all rights of action for any breach of this contract by the contractor are reserved to the United States.

#### ARTICLE XIII.

No participation in profits by Government officials: No Member of or Delegate to Congress, or Resident Commissioner, nor any other person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this article shall not apply to this contract so far as it may be within the operation or exception of section 116 of the act of Congress approved March 4, 1909. (35 Stats., 1109.)

#### ARTICLE XIV.

Settlement of disputes: This contract shall be interpreted as a whole and the intent of the whole instrument, rather than the interpretation of any special clause, shall govern. If any doubts or disputes shall arise as to the meaning or interpretation of anything in this contract, or if the contractor shall consider itself prejudiced by any decision of the contracting officer made under the provisions of Article IV hereof, the matter shall be referred to the officer in charge of cantonment construction for determination. If, however, the contractor shall feel aggrieved by the decision of the officer in charge of cantonment construction, it shall have the right to submit the same to the Secretary of War, whose decision shall be final and binding upon both parties hereto.



## ARTICLE XV.

This contract shall bind and inure to the contractor and its successors. It is understood and agreed that wherever the words "contracting officer" are used herein, the same shall be construed to include his successor in office, any other person to whom the duties of the contracting officer may be assigned by the Secretary of War, and any duly appointed representative of the contracting officer.

Witness the hands of the parties hereto the day and year first above written, all in triplicate.

By \_\_\_\_\_,  
President.

Witnesses:  
(1) \_\_\_\_\_  
(2) \_\_\_\_\_

By \_\_\_\_\_,  
UNITED STATES OF AMERICA,  
Contracting Officer.

Witnesses:  
(1) \_\_\_\_\_  
(2) \_\_\_\_\_

## SCHEDULE OF RENTAL RATES.

[The rates mentioned are per day.]

The following ranges of rental rates are shown only as an indication of what may be allowed. Rentals will be fixed by contracting officer who will take into consideration sizes, capacities, conditions, and fair market valuations of equipment. Rentals for equipment not shown on list following will be fixed as provided in last paragraph of section (c) of Article II hereof:

Automobiles	\$2.00 to \$8.00
Adding and listing machines and typewriters	.25 .50
Buckets, tippie, bottom dump, orange-peel, clam-shell, etc.	.50 2.00
Boring machines, power driven	.20 .75
Back fillers, power driven	2.50 10.00
Block machines, concrete	-----
Boilers, upright and horizontal	1.50 6.00
Cars, steel or wooden, contractors'	.40 2.00
Crushers, stone	-----
Compressors	1.50 8.00
Derricks, with or without power	.50 20.00
Dirt spreaders	2.00 15.00
Diving outfits complete	-----
Engines, skeleton, with or without slewing gears	2.00 5.00
Engines, traction	2.00 15.00
Hammers, riveting	-----
Instrument, engineering	.25 1.00
Locomotives, narrow or standard gauge	5.00 25.00
Mixers, with or without power, equipped with loaders or not	1.00 8.00
Motorcycles	.25 1.00
Motors, electric	.25 8.00
Pumps, with or without power	.50 6.00
Pipe machines, with or without power	.50 6.00
Pile drivers, drop, steam-hammer or jet, with or without power	.50 25.00
Plows, not car unloaders	.25 1.00
Rail, per ton	-----
Rollers, horse or power	.50 15.00
Scrapers, slip or wheel	.25 1.00
Saws, power	.25 5.00
Steam shovels	10.00 30.00
Skips, steel or wooden	.10 1.00
Trench diggers	10.00 30.00
Trucks, motor	1.00 25.00
Wagons	.25 1.00

Fuel, lubricants, and labor not included in the above.

Mr. TOWNSEND. Mr. President, before the Senator gets through with his remarks, will he explain what inducement there is for the contractor to limit the cost? The Senator has used the words "upset fee." I am not a contractor or builder and I do not understand that term. I did not know but that the upset fee might be related in some way to the limit of cost.

Mr. NEW. Yes, Mr. President; there is an incentive for the contractor to keep down the cost, because the higher the cost the less his fee. Under this contract he gets a bigger pay if the cost is small than he does if the cost is large.

Mr. GALLINGER. Apparently, it is just the opposite of the system that was adopted a little while ago in giving contracts for shipbuilding, and so forth.

Mr. NEW. It is. In answer to what the Senator from New Hampshire says, I will say that is absolutely correct.

Mr. McCUMBER. Mr. President, if I may ask the Senator a question right here, suppose there is a piece of work that ought to cost \$100,000 and with the right degree of economy it could be completed for \$100,000, but the contractor allows slacking, pays big prices for material, and it costs, say, \$200,000; would his fee be less than it would if it had cost \$100,000, according to the table and according to that form of contract?

Mr. NEW. Well, Mr. President, the Government, of course, reserves the right to withdraw or cancel any contract at any time when anything of that sort is attempted. Let me read to the Senator what the contract provides:

If the cost of the work is \$100,000 or under, a fee of 7 per cent of such cost.

If the cost of the work is \$100,000 and under \$125,000, a fee of \$7,000.

If the cost of the work is over \$125,000 and under \$450,000, a fee of 6½ per cent.

If the cost of the work is over \$450,000 and under \$500,000, a fee of \$29,250.

If the cost of the work is over \$500,000 and under \$1,000,000, a fee of 6 per cent.

If the cost of the work is over \$1,000,000 and under \$1,100,000, a fee of \$60,000.

If the cost of the work is over \$1,100,000 and under \$1,500,000, a fee of 5½ per cent.

If the cost of the work is over \$1,500,000 and under \$1,650,000, a fee of \$82,500.

If the cost of the work is over \$1,650,000 and under \$2,200,000, a fee of 5 per cent.

If the cost of the work is over \$2,200,000 and under \$2,450,000 a fee of \$110,000.

If the cost of the work is over \$2,450,000 and under \$2,850,000, a fee of 4½ per cent.

Those fees, Mr. President, are certainly reasonable fees and less than are figured by any business man in any manufacturing business of which I have knowledge.

Mr. McCUMBER. Mr. President, if the Senator will allow me—

Mr. NEW. Certainly.

Mr. McCUMBER. I could not, of course, make the computation as rapidly as the Senator was reading those figures, and could not make it at all without the use of pencil and paper; but my conviction was, from the figures he read, that there will always be some encouragement for making the work cost a little more, because the fee will be larger; and the Senator knows the worse than scandal that has occurred in the building of all of our cantonments up to the present time, where the costs have been from one and a half to four times what they should have been.

Mr. NEW. Mr. President, as to the earlier contracts, I am in complete accord with the Senator from North Dakota. As to the later ones, I can not agree with him. I think it was just what happened in the building of the earlier cantonments that resulted in bringing this committee together and the proposing of this contract, which I really think, both from my experience in the business and after a very careful consideration of it, is the best form of contract that could possibly be devised for the character of work that is to be done under this bill.

Mr. CALDER. Mr. President, will the Senator yield?

Mr. NEW. Certainly.

Mr. CALDER. Has the Senator explained what method is pursued in arriving at the cost of the different projects? Who fixes the cost on which the profit is based?

Mr. NEW. Mr. President, that is all very carefully supervised, and somewhere here there is a provision—

Mr. CALDER. If the Senator will permit me, as I understand the Government and the contractor to whom they contemplate awarding a piece of work agree upon the probable cost. The contractor makes the bid formally, and the Government goes over his figures and agrees that the operation should cost a certain sum, and upon that they base the upset profit allowance. If the work, when completed, costs more than he estimated, his profit is a little bit less; and if the cost is less than the agreed price, then the contractor and the Government in some manner divide the saving.

Mr. NEW. That is about correct; yes.

Mr. CALDER. Mr. President, that is all very well if the greatest possible care is taken in making the estimates. There is great danger, sometimes, that the costs fixed by the Government experts and the contractor might be higher than they ought to be, and in that way the contractor might profit unduly.

Mr. NEW. Of course, Mr. President, any business relation that may be entered into finally gets back to the point that you have got to trust somebody's honesty. It is just as possible, I suppose, for two men to get together and set up a job in the building business, and no more so, as it is for them to get together and set up one in any other line of business. But I do not believe, Mr. President, that under this contract there is any prospect of anything of that kind.

I am simply presenting this matter for the attention of the Senate, believing, as I do, that the recommendations of such a committee as has given its time and its thought to devising this contract should receive the favorable consideration to which it is entitled; and I warn the Senate now in conclusion that if the department is forced to let these contracts for housing under the lump-sum plan, simply to the lowest bidder, you will have entered upon a project that will delay the completion of these jobs by months. There will be nothing substantial done on them during the year 1918. Now, take my word for that.

Mr. KING. Mr. President, will the Senator yield?

Mr. NEW. Certainly.

Mr. KING. Why does the Senator think that the only method by which we can get the Government buildings erected or work done for or in behalf of the Government is by means of the cost-plus contract? Does not the Senator know that

the cost-plus contract has done a great deal to demoralize the various lines of business activity and industry; that it has caused many of the strikes; that it has greatly enhanced the cost of the buildings that have been erected for the Government and the cost of the articles and products which the Government has been compelled to employ? And, if I may be permitted to ask another question in connection with the first two, does not the Senator think that this is a very excellent time to give the small contractors a chance to get into the game, into the field of activity again and to rescue the business of the country from a few enormous corporations and trusts?

Mr. NEW. Mr. President, in answer to those questions, taking them categorically, I would say that I think the cost-plus contract has been greatly abused in times past, both with reference to Government contracts and in reference to private contracts, too; but I have just sought here, with some pains and I fear ineffectually, to show how the cost-plus contract has been revised and limited by this committee so that there can not be an abuse of it. As to the small contractors getting into it, Mr. President, we all understand that a number of these projects involve the expenditure of several million dollars, absolutely beyond the power of the small contractor to handle.

Mr. McCUMBER. Why so, Mr. President, if the Government pays it all?

Mr. NEW. Well, all right; then the Government can let this work to any contractor it chooses. There is no limit. In answer to the question of the Senator from North Dakota I was assuming that he directed it toward the smaller contractor under the lump-sum plan.

Mr. McCUMBER. I understand that the Government pays for the labor and the Government pays for the material as you go along.

Mr. NEW. Why, certainly.

Mr. McCUMBER. Therefore the Government has the responsibility; and what difference does it make whether the work is done by a great company or by a small one?

Mr. NEW. The Government can let it to anybody it chooses. I have here a complete report of every contract that has been let by the cantonment division from the start down to a very recent date, and it includes a large number of small contractors who have been given this work; but, of course, Mr. President, it must be manifest to anybody that for the bigger jobs a big organization is required. You can not just go out and get somebody off the street corner to put up a big building. He must have engineers; he must have a great lot of apparatus, all kinds of derricks and hoisting engines and concrete mixers and a thousand and one things that go to make up the outfit of a contractor, and it is only the larger ones who have the organization or the outfit to put up these bigger jobs.

Mr. President, I think I have said all I care to say on the subject. I think the Senator from Virginia [Mr. SWANSON] understands this question. I think he agrees with me in it. I have not the authority to say that he is willing to accept this amendment, but I think he fully understands the importance of it, and it is simply in the interest of the economy of time and of money as well that I urge the adoption of this amendment.

Mr. SAULSBURY. Mr. President, I think the Senator from Indiana [Mr. NEW] has made a very valuable contribution to this discussion in the amendment he has offered.

I am a member of the committee from which this bill was reported. I was opposed to the amendment the committee has presented for the very reason that the Senator from Indiana has described—that is, the impossibility of doing this work within a reasonable time if the amendment proposed by the committee is adopted, or the various amendments which have been proposed to the amendment, or as substitutes, for that amendment, with the exception of the one offered by the Senator from Indiana, for the reason that they would produce such a tremendous delay that it would be practically impossible to get any work done.

We all know that the difficulty in obtaining building material and in getting a sufficient amount of skilled labor to do the building in this country has practically demoralized the building industry, as it has very many other things. I feel satisfied that the adoption of the amendment offered by the Senator from Indiana will be a very great improvement to this bill. The chairman spoke of some amendment to that amendment. I do not know what he proposes about it, but I shall certainly vote for the amendment of the Senator from Indiana in preference to any other amendment that has been offered up to this time.

Mr. SMOOT. As I understand it, the Senator from New Hampshire has offered an amendment striking out "\$50,000" and inserting "\$25,000." I shall vote for the amendment of the Senator from New Hampshire, but I wish to say that the amend-

ment of the Senator from Indiana would only be the means of jumping from the frying pan into the fire. Whenever you take the upset fee, then the power is in the board to throw a contract to almost any contractor it may desire. The board can make the contract so large in amount that it would limit the number of the contractors to very few. It cuts out the great bulk of the contractors in the United States; that is, it could cut them out. I do not say that it will, but it could cut them out; and we all know the evils that have come from the cost plus percentage system. Nobody can defend it, but—

Mr. NEW. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Indiana?

Mr. SMOOT. I yield.

Mr. NEW. Does not the Senator from Utah think that the cantonment division, or whoever is going to do this work, ought to be permitted to make choice of the contractors who are to do the work? Does he think they ought to be compelled under the lump-sum system to let it to somebody who is not going to be able to carry the contract through?

Mr. SMOOT. The Senator from Utah does not want to put it in the power of the board to say who shall be the contractor and who shall not, but the Senator believes that the House provision ought to prevail with an amendment.

Mr. McCUMBER. It is the Senator's contention that the bill itself provides for a responsible bidder?

Mr. SMOOT. The contract should be awarded to the lowest responsible bidder. I understand the Senator from Indiana does not accept that amendment, and therefore I think that I shall offer an amendment to the House provision if the Senate committee amendment is defeated. Then, if it is adopted, it will read as follows:

Nor shall any contract be let until at least three responsible competing contractors shall have been notified and considered in connection with such contract, and all contracts to be awarded to the lowest responsible bidder.

Mr. President, I hardly think it is worth while for me to discuss the question any further. I think we all understand it, and I hope the Senate committee amendment will be disagreed to, and then I shall offer the amendment I have suggested to the House provision.

Mr. SWANSON. Mr. President, when this bill was pending in the committee I favored the House provision. I thought it was the best solution of this question. The House provision ought to be amended, first as suggested by the Senator from Arkansas [Mr. KERRY] and as offered by the Senator from Utah [Mr. SMOOT]. The House provision proposes to prohibit contracts on a cost plus percentage basis. The amendment of the Senate committee does not allow anything to be done except upon notice and specifications. With a contract to be let to the lowest bidder for an amount over \$50,000, it would retard this work a great deal and would prevent the speedy consummation of the work intended.

I talked to the gentlemen who have been getting up these plans. They told me they would be able under the House provision to do this work. Under the Senate committee amendment they thought the work would be greatly delayed, and if it was insisted upon too much it would very seriously impair the expected work.

Under the House provision no work is to be done or contract to be let under or by authority of any percentage or cost plus percentage. It prohibits paying anybody 5 per cent, 6 per cent, or 10 per cent, a matter concerning which there has been a great deal of complaint in this country.

Nor shall any contract be let until at least three responsible competing contractors shall have been notified and considered in connection with such contract.

That requires three people to be notified positively. It eliminates advertisements and it eliminates the delay that otherwise would be occasioned. The only defect is that after you notify these men it does not require you to give the contract to the lowest responsible bidder whom you have notified out of the three. It ought to be amended to that extent, and after three responsible bidders have been notified to submit propositions in connection with the contract it ought to require that the lowest of the three should be awarded the contract.

Mr. GALLINGER. Do I understand the Senator now to say that he thinks the amendment of the committee ought to be rejected?

Mr. SWANSON. I reserved the right to antagonize that amendment when it was passed by only one majority in the committee. I stated at the time that I did not favor it; that as an individual member I would not support it; and other members of the committee also reserved the right to present the question to the Senate.



Mr. GALLINGER. I feel, if the Senator takes that attitude, it probably will be rejected, and that would remove the necessity of my moving an amendment to it.

Mr. SWANSON. I think the amendment offered by the Senator from Utah would not permit contracts to be awarded if the Government does its own construction, and it does not prohibit it from doing its own construction and hiring its own people; but if it desires to go into the contract business the House provision requires three contractors who are responsible to be notified. The House provision does not go far enough and require the contract to be given to the lowest of the three thus notified, and with that amendment I believe it is the best solution of this question. The men who are to administer this law tell me that this will not interfere with the speedy consummation of the work.

Mr. GALLINGER. Then let us test the sense of the Senate on rejecting the amendment reported by the committee. Let that question be put.

The VICE PRESIDENT. Does the Senator from New Hampshire withdraw his amendment to the amendment?

Mr. GALLINGER. I withdraw the amendment to the amendment.

The VICE PRESIDENT. The question is on the amendment of the committee.

Mr. KING. Mr. President, I do not know that I understand the attitude of the Senator from Virginia, but speaking for myself, I would very much prefer the bill as it was reported by the Senate committee. I have made some little investigation as to the course which has been employed by the Government in the cost-plus contracts. I think the result of this course has been very disadvantageous to the Government, very demoralizing to business, and has enhanced the cost far beyond what was reasonably fair or just.

Mr. GALLINGER and Mr. SWANSON addressed the Chair.

The VICE PRESIDENT. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. I yield first to the Senator from New Hampshire.

Mr. GALLINGER. I simply desire to ask the Senator if he has not discovered that the House provision absolutely gets rid of the cost-plus contract?

Mr. KING. Yes; I think that is true; but as I understood the amendment that was submitted by the Senate committee it provided that the work should be advertised and let to bidders after due notice had been given of the work which was to be performed. I yield to the Senator from Virginia.

Mr. SWANSON. The Senator from New Hampshire made the suggestion that it provides there shall not be any plus percentage contract. If the Government desires to let this work by contract instead of doing its own construction, the House provision requires it to notify three responsible bidders, and it will be let to contract. They can not give the contract unless there are three responsible bidders who are thus notified, and with the amendment offered by the Senator from Utah [Mr. Smoot], when the contract is awarded it is required to be given to the lowest responsible bidder. To require all these contracts, however small, to have specifications and advertisement in the papers and notice, I am told, will entail a great deal of delay, and by the other method they think it could be worked more quickly.

Mr. NEW. If the Senator will permit me a moment, I should like to repeat what I said in speaking to my amendment, that in a job requiring the expenditure of a million dollars it will require not less than three months and more likely six months to prepare plans alone for it, and after that they must be considered by the contractors. If what is desired here is to have the work done within this year, I do not want to adhere to the Senate committee amendment.

Mr. SWANSON. If the Senator from Utah will permit me, under the House provision, when there are 3 contractors or 5 or 10, they can say, "We will give you \$25,000 or \$10,000, not on a percentage basis, because there is no percentage basis." That would be contrary to the interests of the Government. This would not prohibit him from specifying a fee to do the work requiring the construction. It seems to me the House provision is one that would protect the interests of the Government and contractors and give the contract to a responsible person who will do it quicker for the lowest amount of money.

Mr. McCUMBER. May I ask the Senator a question?

Mr. SWANSON. Yes.

Mr. McCUMBER. The general purpose of the bill is for housing employees. I can not understand any great necessity for letting contracts that will run up into the millions and tens of millions and hundreds of millions. If here is a little house that can be built under specifications for \$3,000, it is not going to take six months to get out the specifications, and you can let it

to a contractor to make 5 of them or to make 500 of them without any delay whatever.

Mr. CALDER. Will the Senator yield?

Mr. KING. I have the floor, but I yield to the Senator from New York.

Mr. CALDER. If the Senator will permit me, the Shipping Board has already taken up the building of this sort of houses, and I am informed that the commission in the Department of Labor has perfected plans to build the houses provided for under the bill being considered. It is not the purpose of the Government to give a contract to build two or three houses to a contractor. Wherever it can be arranged, it is the intention to loan money to a subsidiary corporation of some sort in the different localities, which usually will be controlled by the particular industry to be helped. At Newport News \$3,000,000 has been advanced. At Camden, N. J., \$3,000,000 will be loaned to a building corporation, and I am quite sure this will be the usual practice.

In the main, these houses are a fixed type. There will be some \$1,000, \$2,000, and \$3,000 houses, and the contract will be let to one builder to take over the entire operation.

I think we could go as far as to provide that in every single case these building operations should be let by competitive bidding.

Mr. KING. Will the Senator let me propound a question to him? The Senator is perhaps more familiar than any other Senator here in regard to building operations. Does not the Senator believe, from his large experience, that the Government would have these houses built as quickly and far more economically by advertising and taking contracts from builders in the various parts of the country where the buildings are to be erected?

Mr. CALDER. I do, Mr. President, and I am under the impression that while the department charged with carrying out this law could award the building on a lump-sum-profit basis, nevertheless the terms of the House bill would permit them also to do as the Senator suggests. I know that there are tens of thousands of workmen trained to employment in building operations who are available to-day all over the country. I pointed out yesterday that the building operations in the United States this year for private purposes would amount to about \$300,000,000 as compared to \$1,500,000,000 in 1916.

Mr. KING. Is there any reason, permit me to ask the Senator, why the bill should not contain a provision that all these houses shall be erected by persons who have full opportunity to bid and that the contract shall be awarded to the lowest bidder?

Mr. CALDER. If the Senator will offer an amendment of that character, I shall be very glad to vote for it; and I think it can be done without serious delay.

Mr. KING. For my own information, if the Senator will pardon me, has not the effect of this cost-plus contract business established by the Government been to drive into inactivity many of these small contractors throughout the country; men who had the proper machinery and the proper organization and could have performed large contracts, but because of the policy of the Government to allow a few individuals to control the construction of the cantonments and other buildings these smaller organizations have been deprived of opportunities and many of them have practically ceased to do business?

Mr. CALDER. The Senator is correct. I know in the city of New York, where I live, three-fourths of the building contractors are doing nothing at all at this time, and they would be glad to take some of this Government work if given an opportunity.

Mr. KNOX. I send to the desk an amendment to the pending bill.

The VICE PRESIDENT. It will be read.

The SECRETARY. On page 3, after the word "structure," in line 12, insert the following:

*Provided further, That no existing limitation upon the right of any person to make a contract with the United States shall apply to owners whose property the President determines is necessary for Government purposes and desires to either lease or purchase by contract under this or any other act authorizing the President to acquire property by lease or purchase.*

Mr. KNOX. I call the attention of the chairman of the committee to this amendment, removing the limitation from the right to contract where the President is given the authority to acquire by contract or purchase or lease.

Mr. SWANSON. I will ask the Secretary to read the amendment again.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Chair desires to inform the Senator that there is already an amendment pending, and it can only be offered at this time by unanimous consent, without the withdrawal of the other amendment.

Mr. GALLINGER. The question is on agreeing to the committee amendment, and I hope it will be voted down.

Mr. FRELINGHUYSEN. Mr. President, in a measure I am responsible for the committee amendment. As the section read when it came from the House, there was no limitation placed on the contractors. While it prohibited the cost plus percentage contract, nevertheless it opened a loophole for the head of this building bureau to make any contract he saw fit, because the section provided that any contract could be let to three responsible competing contractors only upon notification and after they had been considered. There was no limitation in regard to an advertisement for bids, no limitation in regard to the opening of those bids. While I may be a little old-fashioned, yet I believe the only fair way to let these contracts is to give every contractor an opportunity to bid after due advertisement and have the bids opened in the presence of the bidders.

Recently I have had some experience with the Navy Department, and that is the system they adopt. They advertise for bids, giving the opportunity to every contractor in the country, provided he observes the requirements of the specifications and advertisement and deposits his check and shows that he has sufficient credit to carry on the contract, and then the contract is awarded fairly under that system.

There is no reason why that system should not be adopted in this building department. Therefore I have introduced the amendment that the bids, after advertisement, should be open to every contractor, so that all would be treated fairly and alike, and that those bids should be opened in the presence of the bidders and awarded to the lowest responsible bidder, the Government, of course, reserving the right to reject any and all bids.

The PRESIDING OFFICER. The question is on the amendment reported by the committee. [A pause.] The noes seem to prevail.

Mr. NEW. Mr. President, before the final announcement is made, I should like to know just what that amendment was?

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. The amendment is that reported by the committee on page 7, section 7.

Mr. LODGE. The amendment was defeated.

The amendment was rejected.

Mr. SMOOT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMOOT. I desire to know if the rejection of the committee amendment leaves the House provision in the bill?

Mr. GALLINGER. Certainly.

The PRESIDING OFFICER. It does.

Mr. SMOOT. Then, I offer an amendment after the word "contract," in line 10, page 7, to insert:

And all contracts to be awarded to the lowest responsible bidder, the Government reserving the right to reject any and all bids.

Mr. SWANSON. I accept that amendment. That is right.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. TOWNSEND. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Michigan will be stated.

The SECRETARY. On page 7, at the end of the bill, after the words "District of Columbia," it is proposed to insert:

To establish a home or homes for aged and infirm colored people and working girls and to establish an industrial farm and to aid the people who must move from the alleys July 1 and to provide work for the colored youth during the summer vacation, the sum of \$300,000, due the estates of deceased colored soldiers, sailors, and marines of the Civil War, and which was in the hands of the Commissioner of the Freedmen's Bureau and has been repaid into the Treasury of the United States, be, and is hereby, appropriated out of any money in the Treasury of the United States not otherwise appropriated, to build a home or homes for aged and infirm colored people and for working girls and to establish an industrial farm to aid the people who must move out of the alleys July 1 and to provide work for the colored youth during the summer vacation; the building or buildings to be erected in the District of Columbia on land owned or to be owned by an association known as the Home for Aged and Infirm Colored People duly incorporated under the laws of the District of Columbia for the purpose specified in this act; the said industrial farm to be established in the State of Virginia or Maryland on land owned or to be owned by the above-named association: *Provided*, That no money shall be paid to the association until the Attorney General of the United States has investigated and reported to the Secretary of War that such an association is legally incorporated for the relief of colored people, and that the plans, specifications, and contracts be submitted to and approved of by the Secretary of War, and the money taken from the Treasury only on such vouchers as may be drawn by the association and approved of by the Secretary of War as the work progresses, and that the Secretary of the Treasury be, and he is hereby, authorized to pay the money herein appropriated to the association upon the fulfillment of the terms herein specified, and that the association must give good and sufficient bonds to the Secretary of War for the faithful expenditure of the money

herein appropriated: *Provided further*, That all persons receiving any portion of this fund be encouraged to produce all foodstuffs possible to aid the Government in winning the war.

Mr. TOWNSEND. Mr. President, I do not care to debate this amendment. It is a measure which has passed the Senate twice, and I understand that the House of Representatives has recently acted upon it in committee. I ask that the amendment may be agreed to, and go to conference.

Mr. SWANSON. I would state to the Senator from Michigan that I have not examined the amendment. If it is right, possibly it ought to be in this bill; but if the Senator wants it to go to conference for consideration I shall accept it. I have no objection to it having the consideration of the committee of conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Michigan.

The amendment was agreed to.

Mr. KNOX. Mr. President, I call up the amendment which I sent to the desk a few moments ago.

The PRESIDING OFFICER. The amendment proposed by the Senator from Pennsylvania will be stated by the Secretary.

The SECRETARY. Mr. KNOX proposes the following amendment, to come in at the end of subsection (b), after the amendment which has already been agreed to at that point, which was offered by Mr. THOMAS:

*Provided further*, That no existing limitation upon the right of any person to make a contract with the United States shall apply to owners whose property the President determines is necessary for Government purposes and desires to either lease or purchase by contract under this or any other act authorizing the President to acquire property by lease or purchase.

Mr. KNOX. Mr. President, the purpose of this amendment is this: Both in this proposed act and in prior acts which have been passed the President is specifically authorized to acquire by lease or purchase, or in preference by contract, certain properties for governmental purposes. Now, we know that there are certain limitations imposed upon people in respect to contracting with the Government. All I desire to do is that, in the event the President desires to lease or purchase property, the owner may have the right to make the contract.

Mr. SWANSON. Mr. President, I see no objection to that amendment going to conference, and I accept it for consideration by the conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. FRELINGHUYSEN. I offer the amendment which I send to the desk, which I ask may be read.

The PRESIDING OFFICER. The Senator from New Jersey offers an amendment, which the Secretary will state.

The SECRETARY. On page 7 of the original bill, line 4, after the word "act," it is proposed to insert the following proviso:

*Provided, however*, That when available for occupancy, all and singular, the buildings acquired under the provisions of this act shall be placed, in connection with their use and management, solely under the direction of the department having the control of the plant or industry for the use and aid of which such buildings have been acquired by the President: *And provided further*, That in event of the construction of any building in accordance with the provisions of this act when such building shall have been completed and ready for occupancy the use and management of the same shall in each instance be regulated in accordance with the provisions of this section: *And provided further*, That all property of whatsoever nature and kind acquired for the purpose of this act shall, when available for use in connection with the occupancy of the buildings herein, be used and managed in accordance with the provisions herein set forth in this section.

Mr. FRELINGHUYSEN. Mr. President, the purpose of that amendment is to provide that when these houses shall have been constructed at any industrial plant or at any arsenal or navy yard they shall come under the management of the department or bureau having control of that arsenal, navy yard, or industrial plant. I think the chairman of the committee will undoubtedly accept the amendment.

Mr. SWANSON. Mr. President, the objection to the amendment, if the Senator will permit me, is this: Houses may be built under this bill at a munitions plant where contracts are being filled both for the Army and for the Navy, and consequently the question would arise as to whether the War Department or the Navy Department should have control of the management of the houses. The plant is not a Government industry primarily. At some of the shipyards of the country vessels are being constructed both for the Shipping Board and for the Navy. Again, in that instance the question would arise as to whether the control of the houses to be erected should be placed in the Shipping Board or in the Navy Department. I am willing, however, to accept the amendment for consideration in conference, to see whether something can be worked out to carry out the purpose; but I would not like to say for cer-



tain that it can be worked out as the Senator seems to think it can be.

Mr. FRELINGHUYSEN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New Jersey?

Mr. SWANSON. I do.

Mr. FRELINGHUYSEN. I prefer to have the Senate vote upon the question. I think the amendment is perfectly proper. When these houses are constructed at various plants, I think they should come under the control and direction of the department having charge of the respective plants.

In regard to the objection of the Senator from Virginia, the President can easily determine who shall have authority over the houses when constructed. There are very few plants which are operated in a dual capacity both for the Army and for the Navy.

Mr. SWANSON. Mr. President, if the Senator will permit me, under the bill the President is given entire control of this matter, and consequently he can place the buildings to be constructed in the jurisdiction of whomsoever he pleases. If he is deprived of that authority by the adoption of this amendment, some one will have to determine who is to be placed in charge of the housing facilities at a given plant.

Mr. FRELINGHUYSEN. Mr. President, then we simply might have passed a law saying that the President should proceed to do this work without any restrictions or limitations whatsoever. The Senator's argument does not stand. If we are going to pass a measure here, we at least want to restrict its provisions.

Mr. SWANSON. We have left it to the President to determine the agency he shall employ in connection with the construction and rental of the property. Now, the Senator proposes to limit the President's discretion and frame the provisions of the bill in a way that might be very embarrassing. I know that at some plants contracts both for the Army and the Navy are being filled, just as at certain shipyards vessels are being constructed, as I have already said, both for the Navy and for the Shipping Board. In such cases I do not know who would have control.

Mr. FRELINGHUYSEN. Mr. President, the Senator's argument, then, is against the Department of Labor having control, because the Department of Labor would be controlling both the activities of the Shipping Board and the activities of the Navy Department.

Mr. SWANSON. There ought to be one person in control of all these building operations, and we have given the President the power of control. Now, to turn around and segregate it and put the control in three or four different hands is not advantageous in the conduct of the war.

Mr. FRELINGHUYSEN. Mr. President, I am not providing in the amendment for several different controls; I am providing that these houses shall come under the control of the department having control of the plants where the houses are erected. The President can easily determine some one in whom the authority should be reposed in the respective departments. If a plant is manufacturing munitions or equipment for both the Army and the Navy, the President can determine who shall have jurisdiction over the houses erected at such a plant. It is a practical, common-sense amendment.

Mr. SWANSON. If the Senator will permit me, this amendment was drawn when the authority under the bill was placed in the hands of the Secretary of Labor; but the Secretary of Labor has been eliminated from the bill and the President has been given authority to act under it. Therefore it seems to me the occasion for the amendment has passed because of the amendment which the Senate has already adopted.

Mr. KING. Mr. President, it seems to me that the Senator having this bill in charge ought to accept and that the Senate ought to agree to the amendment offered by the Senator from New Jersey. It occurs to me that it would be very unwise and would lead to contention if when buildings are erected for those employed in a navy yard some person here in Washington under a different department or a different bureau should control those buildings.

Mr. SWANSON. Mr. President, if the Senator will permit me—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Virginia?

Mr. KING. I yield.

Mr. SWANSON. I should like to ask the Senator when a shipyard is engaged in construction to the extent of 50 per cent for the Navy and 50 per cent for the Shipping Board, in whose hands would the Senator place the control of the houses erected there?

Mr. KING. It is true that if there is a dual control of the buildings, then there would be a dual management of the buildings.

Mr. SWANSON. A dual management! It would be impossible to control them in that way. The President has been given complete authority by an amendment adopted yesterday, and the amendment now offered by the Senator from New Jersey was drawn when the authority was reposed in the Secretary of Labor.

Mr. KING. I understand that.

Mr. SWANSON. If we are going to leave to the President the authority to construct the buildings, to control them, and to provide for their renting and disposition, I see no reason to adopt such an amendment as this, which might be very embarrassing. If, however, the Senate wishes to put it in the bill, it has the privilege of doing so, but it would embarrass a unified administration of this measure. I repeat that some of the plants have contracts to the extent of 40 per cent with the Navy and 60 per cent, perhaps, with the Army, or vice versa; and where it is designed to erect houses at such a plant who would have control of them? If it is left to the President, he will determine who shall control under the amendment offered by the Senator from New Mexico [Mr. FALL] yesterday and adopted by the Senate. I do not think it is advisable now to turn around and leave control to a person who can not be determined.

Mr. KING. Mr. President, notwithstanding the very able presentation of the other side of this case by the Senator from Virginia, I still think that the amendment offered by the Senator from New Jersey ought to be accepted and ought to be adopted. I apprehend that lurking in the mind of the Senator who proposed the amendment is the thought that there is a plan—and I think he is correct—to develop a large housing scheme by a number of incompetents and idealists, who are going to try some experiment here with the Government and to attempt to embark the Government upon some wild, socialistic, Utopian scheme. It seems to me when buildings are needed for navy-yard employees, and the Government erects them, that the proper and prudent thing to do is to turn the control of the buildings over to the Navy Department. If buildings are to be erected for those who are building ships, then turn the control of such buildings over to the men who are controlling the shipping business; and if buildings are to be erected for employees who are engaged in the manufacture of munitions, turn the management of those buildings over to those who have charge of the munitions. It seems to me obvious that the amendment ought to be accepted.

Mr. KIRBY. Mr. President, I do not think that the amendment ought to be accepted. I think everything that has been suggested by the Senator from Utah [Mr. KING] can be properly done without the amendment being accepted. The principal contention about the adoption of this bill was whether we should turn the power over to the President and let him carry forward this whole scheme under such regulations as he thought would be most conducive to the success of the end desired. If we leave the matter there, since the Government is paying for the buildings and since the President has the right to do what ought to be done with the buildings when they are completed and since we have had all this fight and row about the Overman bill in order that we should put power where it can be best exercised, it seems to me that we ought not to put in a limitation now such as is proposed by the Senator from New Jersey. Certainly the power which is trusted to complete and carry out this project will have sufficient discretion to know where the management of the improvement ought to be lodged after it is completed. The amendment proposes a restriction and a limitation which ought not to be adopted under the circumstances.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey.

Mr. GRONNA. May I ask if the amendment proposed by the Senator from New Jersey may be again stated?

The PRESIDING OFFICER. The Secretary will again state the amendment.

The SECRETARY. On page 7 of the original print, at the end of line 4, it is proposed to insert the following proviso:

*Provided, however, That when available for occupancy, all and singular, the buildings acquired under the provisions of this act shall be placed, in connection with their use and management, solely under the direction of the department having the control of the plant or industry for the use and aid of which such buildings have been acquired by the President: And provided further, That in event of the construction of any building in accordance with the provisions of this act when such building shall have been completed and ready for occupancy the use and management of the same shall in each instance be regulated in accordance with the provisions of this section: And provided further, That all property of whatsoever nature and kind acquired for the purpose of*

this act shall, when available for use in connection with the occupancy of the buildings herein, be used and managed in accordance with the provisions herein set forth in this section.

Mr. GRONNA. Mr. President, the Senator from New Mexico [Mr. FALL] I think very wisely proposed the amendment providing that this authority should be vested in the President. I believe that when we all take a sober second thought we will realize that that is where the authority ought to be. I can not agree with the Senator from New Jersey [Mr. FRELINGHUYSEN] that we should divide this responsibility; that we now should say that the heads of certain departments shall be responsible for certain buildings, and heads of other departments should be responsible for certain other buildings. I think it is in the interest of economy to coordinate this work. I think the President of the United States can better regulate this matter if he has the full control, and if he establishes, if necessary, a department to deal with it.

Mr. President, I fully appreciate what the Senator from Utah has said, that some one might perhaps seize upon the opportunity of arriving at some Utopian idea in the administration of this bill; but that would be more apt to happen if it were left to the departments than if it were left to the President of the United States. The Department of Labor must necessarily have something to do with all these departments. The Department of Labor is better equipped and has more information than any other department with regard to labor, and labor is a large element in the construction of these buildings and taking care of them, so why have this duplication? I believe it ought to be left in one place, and I was very glad to see the amendment offered by the Senator from New Mexico adopted. It ought to be left to the President of the United States; and, for one, I shall vote against the amendment proposed by the Senator from New Jersey.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN].

The amendment was rejected.

Mr. KIRBY. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Arkansas proposes an amendment, which will be stated by the Secretary.

The SECRETARY. In line 20, page 7, after the word "used," it is proposed to insert the word "only," and at the end of line 21, after the words "District of Columbia," it is proposed to insert "for such Government employees as can not be used as advantageously in other cities in the service of the Government," so that, if amended, it will read:

*Provided, That \$10,000,000, or so much thereof as may be necessary, of the amount hereby authorized shall be used only to build or acquire, as herein provided, housing accommodations within the District of Columbia for such Government employees as can not be used as advantageously in other cities in the service of the Government.*

Mr. SWANSON. Mr. President, I have no objection to that amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, after the amendment just adopted, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which will be stated by the Secretary.

The SECRETARY. At the end of the bill, and after the amendment just adopted at that place, it is proposed to insert the following proviso:

*Provided further, That the expenditure in the District of Columbia shall be made with a view to caring for the alley population of the District when the war is over, so far as it can be done without interfering with war-housing purposes.*

Mr. SWANSON. Mr. President, I have no objection to that amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I want to say just a word about the amendment, now that it has been agreed to, and I will take but a moment. I want the Senator in charge of the bill to understand that this amendment is offered in perfect good faith and with the hope that some provision of this kind will be retained in the bill, if at all possible, in conference, because I can see how we can use this money in the District of Columbia to take care of two very necessary and very important things.

Mr. SWANSON. Mr. President, I will say to the Senator that, as far as it does not interfere with taking care of the employees needed for war purposes, I think this will be a very wise provision, because you will have property that you can

dispose of at the conclusion of the war, anyway, to take care of these people that are moved from the alleys. I think it will be very wise for that to be done. I will state to the Senator that I think it is a good amendment.

Mr. JONES of Washington. I am glad to hear the Senator say that, because I think probably the Senator knows the situation in these alleys as well as I do. I have gone through them, and they are simply a disgrace to the Capital of the country. The bill that we passed yesterday, suspending the operation of the law that we passed three or four years ago, will cease in its effect a year after the war ends, and then provision will have to be made for housing the people who will have to go out of these alleys. If we can do it with this expenditure, without interfering with the housing necessities, I think it will be a very wise thing to do; and I hope the conferees will give it very careful thought.

Mr. KING. Mr. President, I should like to ask the Senator having this bill in charge whether there is any provision in the bill, or whether he will consent to placing a provision in the bill, limiting the compensation to be paid to employees who may serve under this bill to the amount paid by the Government to other employees who are engaged in similar work?

The point I have in mind is this: There are a great many complaints that some of these new bureaus, agencies, and instrumentalities created by the Government are taking away from other departments—for instance, the Department of the Treasury and the Department of the Interior—employees who have been there for years, by offering them much larger salaries or compensation than that which they have been receiving. They are not taking them from the civil-service lists. There is no limitation upon the compensation paid, and in some instances they are taking competent employees by increasing their salaries very much.

Mr. SWANSON. Mr. President, I think a provision like that would be entirely a mistake. A great deal of this is emergency work, short-term work. Some of the people will only be needed for three months, two months, four months, or six months. We hope in a year to have the whole business completed. It is very hard to get an expert or a temporary clerk to come and work six months at the same salary that he would expect for a permanent job. Consequently as this is not intended to be a permanent department of the Government, and as a great many of the clerks will be used just temporarily, I think a provision like that would interfere with the quick and efficient administration of the law.

Mr. KING. It is obvious, Mr. President, that this bill will result in the creation of a bureau.

Mr. THOMAS. It has already created it.

Mr. KING. The Senator from Colorado states that there is a bureau already created; and when a bureau is created we will never have it uncreated. It will be fastened upon the Government, like the old man of the sea, forever. It seems to me that we ought to have a provision here that the compensation of the employees in this bureau shall not be in excess of that which is paid to employees rendering similar service in other departments. I shall prepare an amendment to that effect, if the Senator will not accept it, and tender it to the Senate.

Mr. THOMAS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Colorado offers an amendment, which will be stated by the Secretary.

The SECRETARY. After the word "Columbia," in line 21, page 7, it is proposed to add the following:

*Of which the sum of \$75,000, or so much thereof as shall be necessary therefor, shall be used by the Superintendent of the United States Capitol Buildings and Grounds to convert the building known as the Maltby House into an apartment house for occupancy by Members of the Congress.*

Mr. SWANSON. Mr. President, I hope that amendment will not be adopted.

Mr. THOMAS. Mr. President, if the chairman will not accept the amendment, I suppose it will not be adopted. I am offering it seriously. It may be a joke—it may be pronounced to be that when the vote is finally taken—but I wish to state briefly my reasons for offering it.

I need not refer to the unusual and increasing congestion of population in the city of Washington. We have already discussed that in connection with the bill, and I hope it is unnecessary to emphasize the importance of using every structure in the District that can be made habitable.

Mr. President, the Maltby Building has been vacant for a number of years. I think it has been vacant since the completion of the fourth floor of the House Office Building. It was previously occupied by Members of the House who could not find office accommodations in the House Office Building. It stands



in close proximity to the Capitol, and, although the activities of the Government have expanded perhaps a hundredfold since 1913, it seems to have been carefully avoided, and buildings not a whit more serviceable than the Maltby Building have been leased by the Government at high rates of rent.

Mr. President, that building should either be torn down and its material carted away, if it is not fit for occupancy, or else the Government should utilize it in some way. This bill as it came over from the House expressly provided that the authorities under the bill should take possession of, alter, repair, improve, and so forth, what is commonly known as the Maltby Building; so that the amendment which I offer is not materially different from the bill as this body first received it.

I know it is said that the Maltby Building is not habitable. I know it is contended that it is not safe; but these assertions have been too often reiterated, perhaps, since whenever the subject has been brought up and has been met with that statement, it seems to me, to be at least not well founded. We have had a good many severe storms in this city since that building was abandoned. They have not affected it. I recall one of the severest storms I ever experienced, in the summer of 1913, when the proceedings of the Senate were suspended because of its character, in which it appeared for a short time as though the foundations of Washington would be disturbed and the structures upon its site annihilated. A number of buildings were destroyed, but this old, despised structure stood the effects of the storm, and of other storms, quite as well as the Capitol itself and the office buildings.

I do not know, and I would not be justified in even intimating, that this building has been abandoned because of the pressure upon the departments by the owners of real estate here for tenancies; but when I consider that this building has been passed over so frequently, so much, and so long, I am convinced that there is some basis behind the nonuse of it other than its alleged unsound condition.

In my city some years ago a theater was destroyed by fire. The walls stood, as I now remember, two or three years, the owner making no effort to repair the structure. These walls were very unsightly, and finally they were condemned as unsafe, and the fire department was ordered to tear them down. An attempt was made to tear down the end of the building with the facilities at the disposal of the fire department, but in vain. Consequently it was necessary to dynamite it, and one-half of the rear wall was thus destroyed, whereupon the owner applied to the courts for, and obtained, an injunction to restrain the further demolition of his walls, and at the same time brought suit against the city for damages. The result was that a year after that the walls were removed by the slow process of taking down one stone after another and in that manner getting rid of the nuisance.

I think the Maltby Building is largely in that condition. It has been condemned, because otherwise it might be occupied by some agency of the Government and to that extent the rent roll of the Government would be decreased.

Mr. President, the House of Representatives thought this matter of sufficient importance to specifically include it in the provisions of this bill, and in so doing I think the House acted wisely and properly. It has been stricken from the bill on the ground that the cost of its reconstruction is something like \$125,000. Well, Mr. President, \$10,000,000, one-sixth of this entire appropriation, is to be devoted to the District in the construction of houses, in the acquirement of houses, and in securing ground, and so forth. When we consider that structures of similar dimensions under this bill are likely, from what has been said, to cost a great deal more than \$125,000 plus the original cost of the structure, the argument does not appeal to me.

We should, therefore, either improve this building and make it habitable or we should tear it down, and I do not think any structure should be demolished at this time that can be made serviceable for habitation within the near future.

Practically the difference between the amendment which I offer and the House provision is that the former designs the improvement of this structure for occupancy by Members of Congress. It is a building which virtually belongs to Congress, by which I mean that it has been used for congressional purposes from a time whence the mind of man, I think, runneth not to the contrary, taken over by Congress for these purposes. I recall many times before I became a Member of the Senate, when visiting Washington and desiring to pay my respects to some of the Democratic Senators, particularly those from my own State, I would go over to the Maltby Building, where I would find them very comfortably housed. I recall, too, that during the first session after I became a Member of this body

a great many Members of the House of Representatives were comfortably housed within the walls of this building.

Therefore, Mr. President, in view of the pressure for housing, for shelter, in this city, which bears alike upon Members of Congress who are not blessed with a great quantity of this world's goods, who are required to pay excess-profit taxes out of their salaries, and also required to meet the constantly advancing rates on living in the city of Washington, it is perfectly proper that a small portion of this money should be realized for the improvement of this building.

If Members of the Senate feel any delicacy in providing for apartments for that purpose, then let them reject that part of my amendment and let us see to it that this building is improved for the uses of the Government. To my mind, it is absurd—certainly from the business experience of any man who has any business experience it is more than absurd—that large sums of money should be expended for new structures when there are available structures needing a comparatively small amount of money to be put in a habitable condition.

Therefore, Mr. President, I have offered this amendment, and I hope that in the judgment of the Senate it will be considered appropriate, and that it will be adopted.

Mr. WARREN. Mr. President, I find myself in entire agreement with the Senator from Colorado [Mr. THOMAS] in his expression. The Maltby Building either ought to be modified or torn down. I was a Member of the Senate and I think of the Committee on Appropriations when that building was purchased. There was no thought then of unsafety. It was occupied by various committees of the Senate. I know I spent some years there with my committee very comfortably. The one fault was that those who might be engaged in their committee rooms during a session of the Senate were unable to reach here on a roll call; it is a little too far away.

About that time the House found itself without sufficient committee rooms and provided for building the House Office Building. The Senate, noticing the elegant structure that was going up for the House, concluded they would also have a new office building, and, of course, there was room enough in that new one for all the committees and for Senators who did not have committees to have rooms. They were taken from the Maltby Building.

Some time after that the idea of clearing the blocks between the railroad station and the Capitol Building became very popular. The matter was brought by the proper committee, I think the Committee on the Library, before the Senate to put a new avenue starting on a line from the center of the Peace Monument and going directly on a straight line toward the central entrance of the Union Railroad Station. A law was passed and a commission appointed and an appropriation was made and the property was taken over. The Maltby Building, however, belonged to the United States and with the other property along the line was all taken over.

We seemed to be proceeding all right. Then certain changes in the House and Senate took place. Some of the people who owned the property where it had been condemned and not settled for were feeling uneasy, because if a house was condemned they could not sell it and could not well rent it.

The question arose as to the compensation to be paid to the railroad company for the old Baltimore & Ohio depot. The President of the United States probably, in the pressing time following the outbreak of the war, forgot the small matter of adjusting those claims, and I understand there is still a lot of that property that has not been paid for and a great deal of other property that has been paid for that has not yet been taken down—is standing unoccupied and going to wreck. Other pieces are occupied and bringing little or no return. The Maltby Building waited, of course, until the occupants were provided for otherwise.

The colleague of the Senator from Colorado put an amendment into an agricultural appropriation bill which arrested the taking down of the Maltby Building and ordered it, as far as it could be ordered, to be used by the Agricultural Department or some other department. There was no talk about unsafety while we were using that building as a committee building, but when it was vacated and we wanted to use it for the storage of many tons of documents and papers we were reminded by the Superintendent of the Capitol that we would have to spend a few thousand dollars on the foundation and in the superstructure in the way of strengthening floor joists, and so forth, before it could be used for that purpose.

When they were talking about tearing it down for the avenue I have mentioned, among the arguments that were used was, first, that it was not an expensive property. In fact, it was bought cheaply by the United States. Second, that it might not

be safe for the uses we wanted. So they played upon the tune of unsafety, in my judgment, altogether too harshly and to too great an extent.

My own judgment is that, made, as it was, for an apartment house and divided into apartments for family use, it was entirely sufficient, and is now, with the ordinary repairs that would have to be made to any building 30, 40, or 50 years old, for any ordinary family or office use. The condition it is in now is one that we can not be very proud of. When the United States expends thousands and thousands and thousands of dollars to start some worthy, desired project and then, after proceeding to nearly a finish, to be hauled up by a turn of affairs and the project entirely abandoned, and property that has been obtained is neglected and can not be used, or is not used, it looks very much as if the Government was playing dog in the manger, neither using the property itself for any purpose nor allowing other people to use it. We seem to be like Jack and Jill—going up the hill and coming down again.

This not only refers to the Maltby House itself, but to that line of residences beyond it, some of the old wrecks that are out here disgracing the fields and the sky line and almost, I might say, the atmosphere. I refer to the property between the Capitol and Senate Office Building and the station.

It is time something was done about it, and I hope the able chairman of the Committee on Public Buildings and Grounds, who is a skillful manager, will take the matter up and bring it before the Senate in a manner that may address itself to the attention, and the immediate attention, of this body. I do not think the United States can afford to allow that kind of an example of its business methods to be held up before the public all the time. Here we are with one plan to take buildings down and put in the proposed new avenue. That might well be halted in war time, but even before war times we have loped along, going up the hill and down again, seemingly without aim or compass, neither occupying ourselves nor allowing others to occupy.

It makes me think of the time when my old friend, Senator Berry, of Arkansas, was opposed to the building of the Senate Office Building. He figured it out and demonstrated, and it is on record, he showed to the Senate that the United States could build a residence for every Senator costing but a trifle less than \$40,000 each for what it could furnish him rooms in the Senate Office Building. That was not so bad. We built a great building, a useful building, and we are all proud of it, but I would clean up the wreck and ruin behind us. Here is the Maltby Building. It stands there as a monument of folly to-day, a monument of our folly in trying to do three or four things and never concluding upon any one.

Mr. SWANSON. Mr. President, in regard to this amendment, I hope it will not be adopted. I shall not discuss the general phase, but I wish to discuss it especially with reference to the Maltby Building. The bill provides for the occupation and use of all the building not occupied on these squares, except the Maltby Building. That was eliminated for this reason: It was contemplated that it should be used for the homes of employees of the Government. It was found that it would take \$120,000 to make it habitable in a modern way and that it would house 137 people. Then there are a great many apartments that have been seized for the Army and the Navy for office purposes in Washington. The committee reached the conclusion that the Maltby Building, with a very little expenditure of money could be made available for office purposes. It was constructed for that purpose, and some of the numerous departments now in Washington could occupy the building with a very small expenditure of money, and to that extent could vacate apartments and other places that have been seized, and consequently that would be a wise thing to do. The Bureau of Education was anxious to get it, as were other departments. We have no authority to fix habitations for the various departments. So we left it open, not giving the authority to the board to make residences out of it for the purposes of the departments we have created, and the board can assign this building to one of the departments.

I am satisfied that to make residences out of it would be an unwise and useless expenditure of money. What Congress ought to do is to take some of the apartments now occupied by the Government which were used for residence purposes and put them in that building and occupy it during the war as offices. For that reason that was eliminated. Any other buildings in Washington that are not occupied under the provisions of the bill become available for the purposes of the bill.

Mr. THOMAS. Mr. President, I am not familiar with the testimony or statement made before the committee regarding this building, but I do know that every time the question of

utilizing the Maltby Building has become the subject of discussion it has been met by arguments similar to those just advanced by the Senator having charge of the bill, with the result that the building stands unoccupied, and it will continue unoccupied until Congress takes the bit in its teeth and provides for its improvement so that it can be utilized either for dwelling purposes or for office purposes or for its demolition.

I am not an expert, I do not pretend to be, upon housing; but I am unable to understand why a building of the dimensions of the Maltby House will accommodate only 137 people. I know of apartment houses in this city smaller than the Maltby Building which now accommodate many more than 137 people. If the Senator meant that it will only make provision for 137 apartments, that I could understand, but to say that the building would only accommodate for residence purposes 137 individuals is to make a statement that I do not believe is warranted by the common experience of anyone of us.

Mr. President, the Senator from Wyoming [Mr. WARREN], far more familiar with the history of affairs in Washington than myself, one of the oldest Members of this body, has very graphically recited the incidents connected with that building from the time of its acquisition by the Government up to the present time. I understand the purposes of this bill to be what its recitals imply. I understand that when the bill was prepared and introduced in the House and passed by the House, among other things, it contemplated the improvement of this identical building in terms. To say, therefore, that the improvement of the Maltby Building for residence purposes is beyond the scope of the bill is to occupy a position which the recitals of the bill do not even remotely support. It would be a strange thing, indeed, if a bill passed at the other end of the Capitol making specific provisions for this identical thing should not have contemplated that among its other purposes. The committee of the House and the House itself understood that housing, the securing as expeditiously as possible of structures already constructed, of structures partly completed, and of structures to be erected were all embraced in the purview of the bill.

We are told that Government employees are increasing in number with every day and with every hour. The city is swarming with them now. In many of the departments and bureaus they are too numerous to permit the transaction of business; they get into each other's way. But still they are coming.

Mr. JONES of Washington. Mr. President—  
The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Washington?

Mr. THOMAS. I yield.

Mr. JONES of Washington. I saw a statement, apparently authoritative, to the effect that there are going to be 25,000 to 30,000 more Government employees brought into this city before the summer is over; that they expect them at the rate of 5,000 or 6,000 a month. With the condition the Senator describes, what they are going to do with them I do not know.

Mr. THOMAS. God knows what they are going to do with them, so far as utilizing them for the Government service is concerned.

Mr. SWANSON. Maj. Potter, who has been investigating the housing conditions in Washington, stated in response to a question by the Senator from Kansas [Mr. CURTIS]:

We went over the Maltby Building, and we have had estimates that it would cost to put it in safe condition for housing about \$120,000.

The CHAIRMAN. How many people would the Maltby Building house?

Maj. POTTER. About 120 people.

Mr. THOMAS. I am not questioning the testimony, Mr. President. With all due respect to Maj. Potter, I assume the responsibility of saying that that building can be made habitable for three times that number, and I do not think there can be any question about it. It is a 6-story building, as I remember. It must be 150 feet by 150 feet in dimensions. If we are going to convert it into apartments for a class of people who can pay a thousand dollars a month for an apartment probably that is true, but if we are going to make it livable for the purpose of meeting the present and the coming congestion, it could be made habitable for a great many more than that number.

Mr. SWANSON. If the Senator will permit me, that was the estimate made for Government employees, there being so much space required. By others the number was placed at 137, I think. It was figured on the amount of space needed to house 137 people, and Maj. Potter made the number 120.

Mr. THOMAS. It is a remarkable fact, Mr. President, that every time an attempt is made to improve or utilize this building some objections are made, either that it is not large enough for the purpose, that the structure is unsafe, or something of that



kind, which leads to the accomplishment of nothing. I am afraid that is going to be the situation here unless the House insists upon its provision.

The Senator from Washington has called the attention of the Senate to the fact that before the summer ends the civil service of the Government will be increased by some 25,000 additional people. A great many of these employees will have families to support, and the actual increase therefore, it is safe to say, will be three times that number, or 75,000. Yet, under the bill, notwithstanding this immediate and appalling pressure upon habitations a structure that can be put in order for \$125,000 is going to be neglected.

Mr. President, if this building would accommodate 137 people as inhabitants, it will accommodate 137 offices. If it can be improved for offices, the Government may well yield its possession of one of the big apartment houses that it is now in possession of on Fifteenth Street and enable some of those people to secure shelter there. Why should not that be done? One hundred and twenty thousand dollars, generally speaking, is not of much consequence in this body; it is a bagatelle. I have tried once or twice to save that amount of money in vain, the reasons being that it is such a little, insignificant sum that it will cost more in the waste of time to attempt to save it than to let it go in. Now, in a \$60,000,000 bill the appalling sum of \$120,000 for the improvement of a large and important structure is so great as to make it impossible to give it favorable consideration.

I predict, Mr. President, that many buildings to be erected under this appropriation very much smaller than the Maltby Building and accommodating many people below the number to be assigned to it will cost a good deal more than \$120,000, a good deal more than \$150,000, nay, \$200,000, because I can see opportunities in this bill for a riot of expenditures approaching in some degree those with which we have already been confronted from the appropriations made for other purposes. I want to get action upon this bill, Mr. President, to complete unfinished structures, to repair old structures as well as to build new ones, and nothing addresses itself to my sense of the proprieties at this time so strongly as the immediate and necessary improvement of this building. I therefore insist upon my amendment.

Mr. SHAFROTH. Mr. President, I thoroughly concur with my colleague [Mr. THOMAS] in the fact that the Maltby Building ought to be improved, ought to be repaired, and ought to be utilized by the Government. It is a structure that has not a crack in its walls. It is absurd, it seems to me, for any contention to be made that it is unsafe. By reason of that condition I do not see why a structure that costs perhaps \$150,000 or \$200,000 should not be utilized by the Government.

The idea of tearing down the Maltby Building arose, as the Senator from Wyoming [Mr. WARREN] said, from the desire to construct a straight road from the Columbus Monument, in front of the depot, to the Peace Monument, in front of the Capitol, and inasmuch as it ran through a part of the building it was thought to be necessary that the entire building should be obliterated and removed.

Mr. President, some of the architects believe that the only way to lay out a city or to lay out a street is in straight lines, and others believe that the only way is by winding roads. It does seem to me that when we have a fine structure that has been occupied by Senators as an office building, in order simply to cater to the artistic taste of a straight road that we should destroy that building strikes me as somewhat monstrous.

Mr. President, those houses that are below the Maltby Building on New Jersey Avenue are infinitely better looking than those that would face upon that beautiful park with those buildings removed. If any person will go down there and look at the alley or small streets that would face upon the park when the Maltby Building and the other buildings below the Maltby Building are removed, he would find that it would be almost a disgrace to the park to have such buildings face upon it. It was for that reason, to a large extent, that I objected to tearing down the Maltby Building.

Mr. President, the only other solution of this question, if you tear down these buildings, will be that you must, in order to have a respectable appearance, buy clear to First Street, and that means, of course, that some more people in the District of Columbia will get more money for the houses which they already have, and they must be torn down. The grounds of the Capitol are amply large, and it seems to me that it would not be wise to do it.

I do not know what amount of money may be required, but there are some parts of that building that are in most excellent shape. The walls are good; the floors are fair. It perhaps

needs a new elevator; but outside of that and perhaps shoring up the interior, not the outside of the building, it could be made to accommodate either occupants or a heavier weight for which it is thought it might be used in storing documents.

At any rate, Mr. President, as my colleague has said, every time this subject is approached nothing is done. The building remains vacant. Nobody wants to take any steps toward improving it, although it is quite likely that if it is removed another structure will taken its place in order to have the buildings facing upon this beautiful park conform somewhat with the grandeur of the entire enterprise.

Mr. President, I am in favor of the amendment. I feel that something ought to be done. That it ought to be confined to Members of Congress I doubt very much. I doubt very much whether it would be well to provide it for Members of Congress; but it does seem to me that we ought to provide for the improvement necessary for equipping this building for the purposes indicated in the bill.

Mr. SWANSON. Mr. President, it is an absolute mistake to convert that building into a housing proposition. It will cost \$120,000 to house 120 people. That building could be taken and one of the departments might be placed in it. It was constructed for an office building. It would cost very little money to put it in proper condition for that purpose. If Senators want to do something with that building, some of the departments that are paying rent might be provided for there instead of driving people out of their homes for the purpose.

The House committee does not want that building for housing purposes. Everybody who has investigated it says that the expenditures for necessary alterations would exceed its value. We have apartments here which have been seized by the Army and the Navy Departments to be used as offices. Let the committee which has charge of this business take charge of the building for office purposes. Buildings for the execution of the alien-enemy act and other acts are being erected here. Everybody who has examined that building for housing purposes with a view of making a hotel or a home out of it has reached the conclusion that the expenditure would be too great for the number of people who could be taken care of and that it ought to be used for office purposes. This committee did not have charge of assigning offices to people.

Mr. SHAFROTH. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Colorado?

Mr. SWANSON. I yield to the Senator.

Mr. SHAFROTH. I will state to the Senator from Virginia that this building was originally a hotel, and that the rooms there are rooms which are really fitted for living purposes in the way of bedrooms. It seems to me it would cost more to convert that building into a public building for offices than to keep it in its present condition.

Mr. SWANSON. It was changed into an office building and used for office purposes by Senators in its present condition. It was changed from a hotel to an office building, and with a small expenditure of money we could get one of the departments in need of outside offices to go there and thus dispose of it.

Mr. SHAFROTH. But the difficulty is that they will not go there.

Mr. SWANSON. Well, put them there, and do not give them money to pay rent elsewhere.

Mr. SHAFROTH. We have never been able to get them there. The officials all want tile flooring and nickel-plated plumbing; they want all of the modern improvements; and they say, "We prefer to stay where we are, or we would rather get into a new building than to go down there."

Mr. SWANSON. I do not know whether the Senator is aware of the fact that all the other buildings on that street which could be used during this war for housing purposes, and other buildings in Washington that are not occupied can be used for that purpose. The Bureau of Education, which employs about 100 people, is anxious to get that building. I did not feel that my committee had jurisdiction to assign that building, which belongs to the Senate, for office purposes. We never have had jurisdiction to assign office buildings to anybody. That is a province which does not belong to us. Consequently, instead of having a fight between the Bureau of Education and some other bureau as to where they shall be located, we thought it was proper, as we did not have jurisdiction of the matter, to have it eliminated.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Colorado?

Mr. SWANSON. I do.

Mr. THOMAS. How can the Senator from Virginia say that his committee has not jurisdiction of that subject, when the bill which came from the other House expressly includes it?

Mr. SWANSON. It has jurisdiction for housing purposes.

Mr. THOMAS. My amendment is in order, then.

Mr. SWANSON. When it came to a conclusion the committee thought that this building ought to be used for office purposes and not for housing purposes; that it was much better and cheaper to use it for office purposes. The Bureau of Education wanted to have a hearing before my committee and have the committee assign it to them as their habitation. Other departments might want it, but as my committee did not have jurisdiction of the question of the assignment of buildings to bureaus for their habitation, and as others wanted it, we thought the best thing to do was to eliminate this matter and to leave it open, so that the Appropriations Committee or the committees having jurisdiction of the subject might look into it.

I think the Senator from Georgia [Mr. SMITH] was anxious to be heard if it was proposed to appropriate it for any other purpose except office purposes, so that the Bureau of Education might get it. That is the reason for the elimination.

Mr. JONES of Washington. Mr. President, I think there is considerable force in what the chairman of the committee has said, but I am going to vote for this amendment to emphasize my idea that something ought to be done with the Maltby Building. While the Senator from Virginia suggests that his committee might not exactly have jurisdiction to dispose of that building for housing purposes, Congress certainly has jurisdiction. If the Senate sees fit to adopt this amendment, it will relieve the committee, of course, from any responsibility with reference to the matter. But that building ought to be used for some purpose. I think it could very well be used for offices and for office purposes. It is not unsuitable for rooming purposes. The rooms are really small, and I understand, as the Senator from Colorado has stated, it was originally a hotel. The rooms have not been changed very much from that time, and it could be made suitable for housing purposes without very great expense.

Mr. President, I am going to take this opportunity to say just a word or two with reference to a condition that seems to me to be getting really worse; and in a way to issue a warning to the profiteers of the District of Columbia, and possibly say a word in the hope that the spirit of profiteering, which seems to be growing up and developing here, may halt.

The Senator from Colorado [Mr. THOMAS] has referred to this matter several times heretofore; I remember he referred to it a short time ago, and I thought that his statements probably were a little too sweeping with reference to the District of Columbia. My experience had been and the information that I had received was that many of the apartment houses and many of the hotels were not increasing their prices, and I thought that the spirit of profiteering to which the Senator referred probably existed more in connection with houses that heretofore possibly had not been used for rooming purposes, but the owners of which were now taking advantage of the situation and were placing high prices upon rooms they might rent, or that persons who had rented apartments took the opportunity to sublet them at a very high rate, and were taking advantage of that opportunity.

I know as to some of the hotels in this city, where I have engaged rooms for people from my State upon telegraphic requests from them, I found that they were not making any higher charges for rooms than they made before the war began. I know of some apartment houses where the prices have continued the same as they were heretofore—at least, no substantial increase has been made. So I thought the spirit of profiteering had not taken possession of many of the hotels and of many of the regular apartment houses of the city, but it looks as if this spirit is, at any rate, getting into these places now. I understood the other day that in some of the larger apartment houses or in some of the hotels in this city that apartments which had rented for \$50 a month some time ago were increased to \$75, and notice has been given that in a certain time the rates will be \$100 a month. I have received a petition to-day, sent to me by a very prominent Government official, that I am going to read to the Senate, and read the letter that accompanies it, without giving the name of the apartment house at this time. The letter states:

With this I am sending you a petition signed by a majority of the tenants of the ——— Apartment.

This petition calls attention to the very serious condition which confronts the people who have occupied this apartment house for a number of years. While I do not reside in this apartment, my secretary and a number of other Government employees personally known to me occupy apartments in the ——— and are gravely concerned in the outlook.

The tenants have ascertained from the owner that he is contemplating the transfer of the building to a private concern for the pur-

poses other than that of an apartment house. The only satisfaction he gives the tenants is that he will notify them two months in advance of the proposed change.

This refers to one of the largest apartment houses in the city, which has been used as an apartment house for many years. The letter continues:

Now, Senator, it is well known that there are no vacant desirable apartments in Washington. The ——— contains 49 families, practically every one of which has one or more Government workers, and nearly every flat has rented one or more rooms to new Government workers who have recently come to the city. In a number of instances the heads of families are now in the Army, and the dependent relatives are in no position to move even if desirable rooms could be found elsewhere. Inasmuch as the majority of the tenants of the ——— are in Government employ, it would seem to me that the matter justly comes under the jurisdiction of the Committee on the District of Columbia, which is at this time considering the problem of housing the thousands of new employees of the Government. It strikes me that it is just as important that the committee should look after the welfare of those who have worked faithfully for the Government for many years as for the newcomers.

There can be no question that the transfer of the apartment house is a case of profiteering, and personally I think steps should be taken by your committee to prevent moves of this kind anywhere in the city.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. JONES of Washington. I yield to the Senator.

Mr. THOMAS. Mr. President, the letter which the Senator from Washington has just read is a most interesting one, and is in harmony with information of a similar character which I have received with reference to some of the apartment houses. My information is that the charge of profiteering is to be evaded by placing the increase upon the furniture in the apartment rather than upon the apartment itself; and in some instances I am told that apartment houses—and I will name the Brighton as one of them—are to be converted into rooming houses, the tenants having been notified that their leases will not be renewed. The house is to be furnished by the present owner and rooms, instead of apartments, are to be let, the increase being placed upon the furniture; so that, instead of charging an increase of rent for the apartment itself, the added profit is figured as rent upon the furniture, but the absolute increase to the tenant who must pay the rent is very large indeed.

I do not know—and I have made some efforts to inquire, and so have members of my family—of a single apartment in Washington that can be secured unfurnished, the idea being that by the furnishing of the apartment by the owner and the placing of a housekeeper or some similar person in charge, an enormous increase in return can be obtained by renting rooms and sometimes apartments furnished—a method of evading the general proposition that will hardly be acceptable to the poor devils who have to pay the rent.

Mr. JONES of Washington. I have an idea that that is the plan that is proposed in connection with the apartment referred to in the letter and petition I am bringing to the attention of the Senate.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Minnesota?

Mr. JONES of Washington. I yield to the Senator.

Mr. NELSON. I wish to say that I have received a great many letters complaining of profiteering here. One scheme seems to be to go to the tenants and tell them, "You must vacate in two months; I am going to sell the building," thus creating a scare among the tenants in order to induce them to offer larger rents. In that way it is sought to make enormous profits out of them. I had a letter some days ago from a man in Michigan, whose son-in-law and daughter, who are employed in Washington, have been living in an apartment for a long time. They received notice the other day that the owner intended to sell the building, and that they must vacate within two months, with an intimation that possibly he might not sell if he was paid more rent.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Florida?

Mr. JONES of Washington. I yield.

Mr. FLETCHER. If I may interrupt the Senator for a brief statement, we hear of instances of excessive charges and of people taking advantage of prevailing conditions. It seems to me we are likely to attribute that to a general situation and be unjust, perhaps, to a great many owners of apartment houses as well as other property in the city of Washington. I believe the Senator will admit that this criticism does not apply to all the owners of apartment houses and all those who have residence property to rent.

Mr. JONES of Washington. I take it the Senator was not present when I began.



Mr. FLETCHER. I was not in the Chamber at that time, but I heard the Senator's subsequent remarks. Mr. President, I desire to say this—

Mr. THOMAS. May I interrupt the Senator for a moment?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. JONES of Washington. I yield.

Mr. THOMAS. I merely wish to say to the Senator from Florida that the statement I made is by no means general; it only applies to some of the District landlords.

Mr. FLETCHER. I am a little apprehensive that we are likely to do an injustice to a large number of public-spirited and good people in Washington, because I know personally of a number of instances where rents have not been increased to tenants of apartment houses. I know personally of some cases where they have been increased something like 10 per cent, or perhaps a little more than that, but such increases grew out of the fact that coal was, as we know, not only difficult to obtain but very high in price, and the cost of delivering and handling it, as well as the cost of elevator service, and that sort of thing, which some of the apartments furnish, more than exceeded the additional rent charge that they were making. So I think that we ought to remember that these instances of profiteering being published and discussed give the impression that that is a sort of general situation, whereas I do not believe it obtains throughout the city, although it does in exceptional cases.

Mr. McCUMBER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Dakota?

Mr. JONES of Washington. I yield to the Senator.

Mr. McCUMBER. Will the Senator allow me to suggest to the Senator from Florida that he ought to give the names of those constituting the exceptions? I for one, if they have not attempted to hold up the American people, would be willing to grant them a gold medal from Congress.

Mr. FLETCHER. I can say positively that I know of such instances. I know of at least three apartment houses where there has been no increase in rent at all.

Mr. McCUMBER. I have known, if the Senator will allow me, of people who have spent weeks going around and trying to find some place where they could live without giving up all of their salary for rent, without being able to find the exceptional places.

Mr. FLETCHER. That may be; of course, those who have not increased the rent for their properties have their apartments all rented and occupied.

Mr. McCUMBER. There are mighty few of them.

Mr. JONES of Washington. Mr. President, I want to say to the Senator from Florida that I made substantially the statement he has made when I began my remarks. I said that I had heard of the charge with reference to profiteering in the District of Columbia, and I had thought that the charge was not properly applicable to the regular apartment houses throughout the District and to many of the hotels; but from matters that have come to my knowledge in the last two weeks I am becoming afraid that the spirit of profiteering is beginning to creep into these places. I know that the place where I live, Mr. President, has made no increase in rent to amount to anything; and that property has been filled all the time. The people to whom the Senator from North Dakota referred could not have gotten in there, because there were no vacant rooms. The owners have not taken advantage of their tenants at all; they have treated them with perfect fairness.

Mr. McCUMBER. If the Senator will allow me, I wish to say—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Dakota?

Mr. JONES of Washington. I yield.

Mr. McCUMBER. I wish to say that the people to whom I refer are people who could find rooms, but they could not find any that they could afford to take, because the prices charged were so exorbitant. It was not because the rooms were filled, but because the prices were outrageous.

Mr. JONES of Washington. I do not dispute that there are cases of that kind; but, like the Senator from Florida, I think there are a great many where advantage has not been taken of the situation, and I think the time is soon coming when those who have not taken advantage of the situation should be known and those who are taking advantage of it should also be known. I would give the name of the apartment house referred to in the letter I have read were it not for the fact that the petition is signed by tenants of the apartment, and I do not care to give the name at this time simply because of that fact. The petition states:

We, the undersigned tenants of the ——— Apartment House, having been informed that the owner is negotiating a transfer of the building to private parties, who will utilize it for purposes other than a dwelling, and that we are likely in the near future to be notified we must find quarters elsewhere in the city, would call your attention to the fact that—

The majority of the tenants in the ——— are Government employees; a number of the heads of families are now in the Army, and a large number of rooms have been rented to new Government workers who have recently come to the city. The proposed change will be a real calamity to most of these people. There are 49 apartments in this building and there are probably 250 or more people residing there at the present time.

It is well known to your committee that there are no desirable vacant apartments to be obtained anywhere in Washington, and the same thing is true in regard to houses at reasonable rentals. The problem of housing the large number of new employees now in the city and expected in the near future is acute. If the owner of the ——— is permitted to carry out his plan this problem becomes more serious.

The tenants of the ——— look to your committee to provide some relief in their present difficulties. There can be no question that the owner of the ——— in making this change is actuated by purely selfish desire for profit.

Mr. President, what I really want to say is this: In my judgment Congress has reached a frame of mind where it proposes to take care of situations like that, and I believe that legislation will be passed before this session of Congress adjourns that will meet such situations just as fully as it is possible to meet them. The man who tries to take advantage of the situation before legislation is passed will find that that legislation is framed in such a way that it will catch him. The subcommittee of the Committee on the District of Columbia is working on this matter, and I feel sure that that subcommittee, headed by the senior Senator from Ohio [Mr. POMERENE], who takes a very great interest in matters of this kind and whose ability and industry are a fair warrant that a just and equitable bill will be prepared and submitted to the full committee, will frame a bill to take care of the situation, so that the people who own apartment houses now will not be able to take advantage of the spirit of gain and the present opportunity to make large rates just because the legislation has not heretofore passed, but that whatever legislation is passed will relate back to a certain definite period that will catch most of the people who are trying to take advantage of those who are compelled to come here and are compelled to have quarters.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Minnesota?

Mr. JONES of Washington. I yield to the Senator.

Mr. NELSON. I desire to say that there is not the least excuse for raising rents in the District of Columbia. Taxes on real estate in the District are lower than in almost any other city in the country, and they have not been changed for years. I know from my own experience—and I have been paying taxes on the house in which I live for almost 20 years—that they are the same to-day as they were 20 years ago. The only excuse for an increase in rentals in apartment houses or on the part of people who have dwellings to rent is simply the increased price of the coal which was used last winter.

I hope the Senator from Washington, and I hope the other members of the committee to which he refers, will find some way to check these practices. I am getting tired, if the Senator will allow me—

Mr. JONES of Washington. I yield to the Senator.

Mr. NELSON. I am getting tired of the way we are worked here in this city. If there are a lot of old worthless buildings, which the owners do not consider good property, they are loaded on to the Government. I expect now they will want to unload on the Government the buildings back of the Maltby House, in order that a better view of the Peace Monument may be obtained when one stands at the portals of the Union Station. I suppose they will want us to demolish some more buildings down the street, so that they may sell them to the Government and thus have them taken off their hands.

It is inscrutable to me that the Treasury Department had the hardihood to buy the Arlington property—that hole in the ground—when the Government owns three blocks of good land nearer the Treasury Department than is the Arlington hole. Yet the Government paid a million dollars for that site. They go among the people here and canvass them for liberty bonds. Mr. President, there ought to be a canvass started for greater economy in the public service.

This city is swarming with people. Go through some of the departments, and you can hardly make your way because of the number of young men and young women who are congested in the various buildings. Some of them are apparently busy, but a large percentage of them seem to spend their time gossiping, while others read newspapers. The Lord only knows what all this force that has been brought here to work for the Government is doing. I suggest, as was proposed in a newspaper the

other day, that some of the Government bureaus ought to be removed to other cities. One could be taken to Chicago, another to Baltimore, another to the fair city of Alexandria, which is located in the State where my good friend the chairman of the committee lives, a number of them could be taken to adjoining towns, where the employees could get rents at living rates and where they would not be bled, as they are constantly being bled, by real-estate men and profiteers in this city.

Mr. JONES of Washington. Mr. President, I think I can assure the Senator from Minnesota that the Committee on the District of Columbia will take care of the situation; that we will try to meet it and try to prevent the outrages of which he complains; and I think in doing so I can assure the owners of the property who have been acting justly and properly, and who have not been taking advantage of the situation, that they will be treated fairly, and I can also assure the people who have been taking advantage of the situation that they will be treated fairly and justly, too.

Mr. THOMAS. Mr. President, before the Senator takes his seat—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. JONES of Washington. I yield to the Senator.

Mr. THOMAS. I am very much interested in the assurance just given by the Senator from Washington, and I know he means what he says. I should like to ask in that connection when we may expect a report from that committee to the Senate?

Mr. JONES of Washington. I will say to the Senator that the Senator from Ohio [Mr. POMERENE] told me to-day that the subcommittee hoped to be able to report by the close of the day to the full committee, and I am ready to meet to-morrow morning or at any other time in order to get early action upon that bill. Of course, I can not assure the Senator just when it will be done; but I think he can be assured that the committee is going to act just as promptly as the importance of the legislation warrants.

Mr. THOMAS. The Senator will not take offense, then, I am sure, if I remind him of the dying words of Mr. Choate, "For God's sake hurry up."

Mr. JONES of Washington. I am in hearty sympathy with that suggestion, and that is one reason why I spoke to the Senator from Ohio to-day. I was glad to have his assurance that he thought the subcommittee would be able to report to-day. Then I am hoping that the chairman of the Committee on the District of Columbia will call us together—

Mr. KING rose.

Mr. JONES of Washington. And that the Senator from Utah [Mr. KING] will cooperate with me and the other members of the committee in getting early action.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. Yes; I am through.

Mr. KING. I merely wish to call the Senator's attention to the fact that a great many of the employees of the Government are addressing themselves to Members of the Senate. I know a number of them have waited upon me, calling attention to the exorbitant demands that have been made upon them for rentals within the District. A number have come to see me who state that they will be compelled to leave their employment and return home because of the extortionate rates they are charged for housing by landlords in the city. A number of persons have also been to see me who have had contracts for apartments, the contracts terminating in July, August, September, and October of this year, but in not a single instance have they been able to get any assurance from the landlords of a renewal of the lease upon any terms whatever; indeed, the indication is that the landlords will wait until the last moment and then charge, as those who have come to me state, prices that would be prohibitive. I think unless legislation is speedily enacted that when autumn comes we will find the situation here intolerable.

Mr. JONES of Washington. That reminds me of one incident to which I wished to call attention, but which I overlooked. It was called to my attention a short time ago that some 10 or 15 young ladies who had come here to accept Government employment had rented a house, taken it collectively, at a certain rate. They had every reason to think that the amount agreed upon would be the permanent rent; they paid no yearly rental or anything of that kind, but they paid monthly rentals. A short time ago the landlord or the landlady came to them and stated that after 30 days or such a matter they would have to pay a certain amount, naming a very large sum, which these ladies did not see how they would

be able to meet. Situations like that are coming up nearly every day.

Mr. McCUMBER. Mr. President, I wish to ask the Senator a question before he takes his seat, and that is whether this bill is intended to cover only rooming houses, apartment houses, or whether he will make it broad enough to cover even the hotels?

Let me say that there are a great many transients who have to come to the city of Washington, and it is rather a shame that they should have to pay 80 cents for a lemon if they go to one of these hotels. What I say is that absolute robbery has been practiced by our hotels, even worse than has been practiced by the rooming houses, and it does seem to me that we ought to protect the public.

Mr. JONES of Washington. Mr. President, I will say to the Senator that I am not a member of the subcommittee that are framing this bill, so I do not know exactly the scope of the measure that they contemplate reporting to the full committee. I feel sure that they are going to try to cover the situation broadly.

Mr. McCUMBER. I sincerely hope they will.

Mr. JONES of Washington. I do not know anything about these hotels that are charging 80 cents for a lemon, but I do know that there are good hotels in the city that have not raised their rates since the war began. They are good, nice hotels, too. As I said a while ago, I have engaged accommodations there for citizens of my State upon telegraphic request, and I find that they get rooms, and rooms and bath, at the same rate that they did before the war began. I have no hesitation in stating what those places are.

Mr. OWEN and Mr. SWANSON addressed the Chair.

The PRESIDING OFFICER. To whom does the Senator yield?

Mr. McCUMBER. I took the floor, and I simply asked the Senator from Washington a question, and I desire to hold the floor for just a minute longer.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Virginia?

Mr. McCUMBER. I will yield first to the Senator from Oklahoma, who, I think, was on his feet first.

Mr. OWEN. I did not intend to interrupt the Senator.

Mr. McCUMBER. I simply want to say one thing. We had before us yesterday the discussion of the Arlington Hotel site, and I made the suggestion that, as I understood, this property had been sold a short time ago for about \$400,000. The senior Senator from Virginia [Mr. MARTIN] was very earnest in his denunciation of a statement of that kind, stating that the question refuted itself, because within his own knowledge this property, this hole in the ground, was worth somewhere about a million dollars, and that it could not have been offered for even \$400,000 within the last twenty-odd years.

I took occasion this morning to call up by telephone a gentleman who has been more or less connected with the transactions concerning the changes in the ownership of this hotel property, and who is now bringing an action against the company which purposed to construct a hotel there some time ago; and he informs me that, as he understands the situation, it was sold to the Arlington Hotel Co. for about \$350,000, and that was but a few years ago. This was for the land, before the hole was made in it.

Mr. BRANDEGEE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Connecticut?

Mr. McCUMBER. I yield to the Senator.

Mr. BRANDEGEE. I can not speak by the card; but I have a strong impression, knowing some of the gentlemen who were connected with the enterprise originally, that they paid a million and a quarter dollars for the old Arlington Hotel and the site; that within a year, or about that time, it was foreclosed and taken at \$800,000; but that it stood the original syndicate a million and a quarter dollars.

Mr. McCUMBER. Let me correct the Senator as to the proceeding. It was first purchased by this company that was organized to build a new hotel. They tore down the old hotel building upon that site, as I am informed, and then proceeded to dig this hole in the lot. They squandered money in a way that would have made them the envy of the ordinary administrative board during this war period. In a short time the money that had been raised by the stockholders was squandered, and they had mortgaged the premises, or given a trust deed on the premises, for \$800,000. That had nothing to do with the original purchase price. They put this trust deed on it for \$800,000. Then a number of gentlemen from Richmond, Va., bought it in under foreclosure and accrued interest for \$847,000. That included the lot and the hole. Then they proceeded to construct



a hotel, or something of that character, and then turned it off onto the Government.

I do not know what the building is going to be worth, and therefore I have no information as to whether the Government has made a good bargain or a bad bargain. I simply wanted to state the information I had as to the original selling price to this company.

Mr. BRANDEGEE. Mr. President, I do not follow the Senator in this respect: He says that, as he understands it, the property has recently been sold for \$400,000. Now, somebody loaned \$800,000 on it and took a trust deed, and it was foreclosed. That shows that those people thought it was worth \$800,000.

Mr. McCUMBER. Not at all, Mr. President.

Mr. BRANDEGEE. Why not?

Mr. McCUMBER. If I happened to own a lot that was worth \$100,000, and I got in debt for \$200,000, and I had no other security to give for the \$200,000 than the lot which was worth \$100,000, that would be no evidence whatever that the lot was worth \$200,000; and that seems to have been the case here.

Mr. BRANDEGEE. I assume that the \$800,000 was loaned on the property. If it was not, if they simply took the \$800,000 mortgage on something that was not worth more than \$400,000, I can follow the Senator on that; but where are his figures to show that the place was only worth \$400,000 as a piece of property, irrespective of what the different syndicates have lost in trying to put up a new building there?

Mr. McCUMBER. Nothing more than the information which I received this morning that it was originally sold for about \$350,000 to those who intended to construct a hotel.

Mr. BRANDEGEE. What does the Senator mean by "originally"—the old Arlington Hotel property that was owned by Mr. Eustis?

Mr. McCUMBER. After the building was taken off of it, and so on.

Mr. BRANDEGEE. But Mr. Eustis got a million and a quarter dollars for that property with the hotel on it. Whether the purchasers paid too much for it or not I do not know.

Mr. McCUMBER. I am simply giving the information that I had in relation to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Colorado. [Putting the question.] By the sound the "ayes" seem to have it.

Mr. SWANSON. I ask for the yeas and nays on this amendment.

Mr. GALLINGER. Mr. President, may the amendment be stated once more?

The PRESIDING OFFICER. The Secretary will please state the amendment.

The SECRETARY. After the word "Columbia," on line 21, page 7, it is proposed to add:

Of which the sum of \$75,000, or so much thereof as shall be necessary therefor, shall be used by the Superintendent of the United States Capitol Building and Grounds to convert the building known as the Maltby House into an apartment house for occupancy by Members of the Congress.

Mr. GALLINGER obtained the floor.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. GALLINGER. I do.

Mr. THOMAS. I ask unanimous consent to strike out the last words, "for occupancy by Members of the Congress."

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. THOMAS. Then I will eliminate that clause.

Mr. SWANSON. I have no objection to the amendment if that clause is eliminated.

Mr. GALLINGER. Mr. President, I simply want to say about this particular building that I had committee rooms in that building at one time and enjoyed them very much, indeed, before I had an opportunity to get into the Capitol; but, to my surprise, afterwards the very official named in this amendment condemned the building. He made a report that it was not suitable for occupancy, that it was in a very dangerous condition, and the result was that everybody got out of it who could get out of it.

Mr. THOMAS. And the building still stands.

Mr. GALLINGER. Now, I did not quite agree that it was unsafe; and I recall another illustration where a building was sacrificed in the same way. The Government is now constructing a building on the lot south of the Belasco Theater. A substantial brick building, used for office purposes, stood there, which I think, if it had been allowed to remain, might have remained there for a million years, unless it had been destroyed by fire or earthquake or something of that kind; but a Senator

visiting that building at one time discovered a crack in the wall. He reported it to some official of the Government and that building was declared to be unsafe and pulled down, and that property has remained idle now, I guess, for fifteen or more years. In my judgment that building ought never to have been removed; but it was removed, and we lost the occupancy of it, and now the Government is going to spend a large amount of money in putting a new building on that site, which I think the Government ought to do.

So, in reference to the Maltby Building, I think that before \$75,000 is spent on that building for any purpose the Superintendent of the Capitol Building and Grounds, who made the report declaring it unsafe, ought either to verify his findings or else to admit that he was mistaken; one or the other.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. GALLINGER. I yield to the Senator.

Mr. THOMAS. The Senator from Utah [Mr. Smoot] has just informed me that he occupied that building for office purposes for six years after it was condemned.

Mr. GALLINGER. After it was condemned? Very well.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. GALLINGER. Yes.

Mr. SHAFROTH. I will state to the Senator that the Superintendent of the Capitol Building and Grounds has made an estimate two or three times as to how the building could be made absolutely safe and at what cost, and it depends very largely upon the use to which the building is to be put. If it is improved for one purpose, the cost was estimated at, I think, only \$32,000, and if for another purpose a larger amount was named. As I understand, the condemnation was not made by any official of the United States Government. It was made by somebody connected with the fire department of the District of Columbia. About that time there was an agitation going on for the construction of a new Senate Office Building, and it was thought by some that perhaps there was some influence exerted to have an additional reason to get a new building, and it was then thought to be doubtful whether the Maltby Building was a safe building.

Mr. GALLINGER. Mr. President, having had something to do with the construction of the new Senate Office Building, I will say that it is news to me that anybody interested in the construction of the new Office Building had anything to do with getting the Maltby Building condemned. The fact is that it was condemned, and my recollection is that the Superintendent of the Capitol Building and Grounds was the official who made a report saying that it was unsafe. Now, I suppose, if it was unsafe, that that meant that the foundations were insecure or that there was some very substantial change necessary to be made in it to make it safe, but on that point I have no definite information. My only thought was that if we are to spend \$75,000 on that building—and I think we ought to spend enough money on it to make it tenantable—we ought at least to know before the money is expended that everything is safe or will be safe after the money has been expended. I apprehend that this appropriation is not intended to strengthen the building—it is not intended to make it more secure so far as its structure is concerned—and we ought not to throw away any money on it unless it will be entirely secure and safe after the appropriation has been expended.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. GALLINGER. Yes; I yield.

Mr. SHAFROTH. If the Senator will yield to me, I will state that my attention was called to this building first when I saw some effort to take out the windows, and I wondered whether or not the building was safe, and so I walked around the building. On the side of the building where there are no windows the walls were perfectly intact; there was no evidence at all that I could discover of any cracks in the walls, and it struck me as a very substantial building, because the weakness of a building is made very manifest on a back wall without windows; and when there were no cracks therein I came to the conclusion that it was a very substantial and safe building.

Mr. GALLINGER. What I wanted to emphasize was that I think we are getting into a bad habit in the District of Columbia, and perhaps that extends to other municipalities—I do not know how that may be—in feeling that we have got to pull down old buildings and construct new buildings; and I gave as an illustration the fact that that substantial brick building on the lot south of the Belasco Theater was torn down at a time

when, according to my unintelligent judgment on matters of building, it was absolutely safe, and was answering a useful purpose, because, as I remember, the Attorney General's office was in it at that time.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Minnesota?

Mr. GALLINGER. Certainly.

Mr. NELSON. The Senator is correct. The Department of Justice was in that building, and I was there repeatedly, and it was a good, substantial building.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. GALLINGER. Certainly.

Mr. SHAFROTH. I will state to the Senator that I was a Member of the House of Representatives at the time that building was authorized to be torn down. I had been in the building a number of times, but there was agitation at that time of the construction of a new building for the Department of Justice on that very site, and the question was mooted, and it was rumored that this report condemning the building had something to do with influencing the attempted construction of a new building, and after it was torn down, then they failed to appropriate the money for that purpose for many years.

Mr. NELSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Minnesota?

Mr. GALLINGER. I yield to the Senator from Minnesota.

Mr. NELSON. I want to call the Senator's attention to the fact that over a year ago we appropriated money to allow the Treasury Department to build an annex on this very property right across from the Treasury Department, north of the Treasury Department, and provided for a tunnel under the street; and instead of going to work and building on that property, they are building over this hole in the ground on the Arlington property. If the Senator will allow me further, it is not so much the price that I complain of in respect to the Arlington property; it is the fact that we have other property, three squares of property, right below the Avenue, across from the Willard Hotel, and we have this property right near the Belasco Theater, where this building was torn down that was formerly occupied by the Department of Justice. This property remains vacant, unutilized, and they go on and take this hole in the ground, for God knows what reason.

Mr. GALLINGER. Mr. President, my concluding observation is that if it is a fact, as the Senator from Colorado suggests, that those who wanted a new building were instrumental in some way in getting the old building destroyed, it is a reflection upon Congress itself that Congress does not exercise sufficient care and supervision over these matters to determine whether or not a building ought to be pulled down for the purpose of constructing a new building on that site.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. GALLINGER. I yield; certainly.

Mr. SHAFROTH. I will state that I know nothing of the fact, except that there was a rumor current to that effect.

Mr. GALLINGER. Yes; and the only point I wanted to make—I was absent when this matter was discussed until I came in a moment ago—was that if we are to make this appropriation for reconstructing in any way the so-called Maltby Building, we ought to satisfy ourselves to start with that the money will not be thrown away provided some official or other declares, after a little while, as some official did a few years ago, that that building is unsafe.

That is the only point I want to make about the matter. I think that building ought to be utilized. I have always agreed with the Senator from Colorado [Mr. SHAFROTH], who has been insistent in that regard, that that building ought not to stand idle. It is a substantial building, constructed for a hotel, occupied as a hotel for some time, and afterwards taken over by the Government. Some of us had committee rooms there, and were satisfied with them; but all at once, like a flash out of a clear sky, the announcement was made that it was unsafe for human life to remain in that building, and the occupants got out of it as fast as they could.

Mr. THOMAS. And the building is still there.

PUTTING THE AMERICAN DOLLAR AT PAR ABROAD.

Mr. OWEN. Mr. President, on Monday, April 22, 1918, appeared an ostentatious article with big headlines explaining "why the Federal Reserve Board allows United States currency to remain at a discount abroad, as explained by F. I.

Kent." Mr. Kent delivered this speech before the National Foreign Trade Council at Cincinnati. Mr. Kent is in charge of the Foreign Exchange Division under the Federal Reserve Board. He is said to pass on all foreign exchange transactions. In this article Mr. Kent argues against putting the dollar at par. The article, in my opinion, in its argument that the dollar should remain at a discount abroad, is adapted to serve the German interests, because the effect of it is to prevent the American dollar buying its full value in neutral countries, and just to the extent that the American dollar is deprived of its purchasing power to that extent the taxes of the American people and their sacrifices in this war will be rendered abortive, unproductive, and useless.

If it is a good thing, as Mr. Kent thinks, that the dollar should be at 30 per cent discount, as it is at present in Spain, then it would be a better thing, according to Mr. Kent, to have it at 50 per cent discount, or at 60 per cent discount, and the bigger the discount the better for the American people. It is a "reductio ad absurdum." The argument is false and serves Germany's interest.

Mr. Kent is posed in the press as a scientific expositor on foreign exchange and as a man "in high authority." I have carefully examined his article, which opens with the following paragraph:

*The cry of the orator for a dollar at par throughout the world may be valuable in time of peace as commercial propaganda, but it has no place in time of war, particularly with a world's war, such as exists to-day.*

Among others I have been crying "for a dollar at par," as the chairman of the Banking and Currency Committee of the United States Senate. A dollar at par abroad is just as important as a dollar at par at home, precisely in degree to the American business involved.

Mr. Kent's advice is injuring America, and thereby serving Germany, and on behalf of the American people—whatever the good purposes of the adviser—I denounce the advice as hostile to the interests of America.

*Keeping the pound sterling at par "has a place" in Great Britain's policy.*

*Keeping the India rupee at par "has a place" in East India policy, and the United States Senate and House of Representatives passed a bill, at the request of the Treasury Department, to melt 350,000,000 of silver dollars, among other things, to preserve the parity of British currency in India, which German propaganda was deliberately trying to break down.*

The advice of foreign exchange expert, Mr. Kent, that the cry of a dollar at par has no place in time of war I shall answer, and will show the utter fallacy of his arguments, which are so misleading and so certain to injure America.

Any man who argues against doing what reasonably lies within our power to put the American dollar at par is giving advice injurious to the United States, even if he be in charge of the Foreign Exchange Division under the Federal Reserve Board. The National Foreign Trade Council needs better advice than it got at Cincinnati from Mr. Kent. The United States Treasury needs a new set of advisers, because their advisers are advising against the interests of the people of the United States, and I am not willing to be silent when this injury to America is being perpetrated.

The President of the United States is in favor of keeping the dollar at par, notwithstanding Mr. Kent.

The Secretary of the Treasury is in favor of keeping the dollar at par, notwithstanding Mr. Kent.

The Assistant Secretary of the Treasury, Mr. Leffingwell, is in favor of keeping the dollar at par, notwithstanding Mr. Kent, and the chairman of the Committee on Banking and Currency of the Senate and the chairman of the Banking and Currency Committee of the House of Representatives are both in favor of keeping the dollar at par.

The obvious reason why the dollar should be kept at par is that we are compelled to buy many necessities for ourselves, as well as for our allies, of neutrals, and to that extent we must, in making war purchases, have our dollar buy as much as possible, and not as little as possible. Any person of good sense might understand this unless his brain had become hopelessly confused in the tangle of his excessive knowledge as an expert.

Let us examine this expert's advice. The first argument made by Mr. Kent is as follows:

The United States, in order to carry out her part in the war, is going to be obliged to supply from her own resources and from those of many other countries of the world commodities to the value of many billions of dollars. Regardless of her great wealth, there is a positive limit to her ability to furnish such supplies. In order to win the war she must be in a position to do so for a longer period than the enemy. The length of time that she can continue to furnish needed supplies will depend upon her ability to conserve her resources.



And Mr. Kent thinks we can conserve our resources by selling gold dollars in Spain for 60 cents, instead of selling them for a dollar.

The simple truth is that to the extent we are required to buy from neutral countries we should control the shipments from them to our actual necessities, and this we can do under the existing law. We can and do control our exports in like manner under existing law. Great Britain and France do the same. And France, who has borrowed funds from Spain at 7 per cent to meet her balances there, sets a suitable example to Great Britain to do the same thing.

It is better for Great Britain and France, and for the United States, for that matter, to pay 3 or 4 per cent interest above the normal rate than it is to pay a 40 per cent discount, and anybody should be able to see this, especially a person engaged in conserving the resources of the United States, which Mr. Kent so anxiously desires to do. It is better to pay 6 per cent or 7 per cent or 8 per cent in Spain for money or on Spanish balances here rather than to compel our importers to pay 30 and 40 per cent for money in Spain. It comes back immediately upon our own consumers. It comes back upon them with the merchant's profit added. Great Britain understands this perfectly well, and so does France, and both of them are making strenuous efforts to place credits in Spain for the purpose of putting their own currency more nearly at par; and an attempt is being made now by the Treasury Department, on our behalf, to do the same thing. In other words, the Treasury Department is trying to do now what Mr. Kent, the Treasury expert, argues it is against our interest to do. They are trying to put the dollar at par, and Mr. Kent is arguing before the country that its dollar ought to be at a discount.

Mr. Kent argues that our interest and that of our allies demands that we maintain such commercial relations as will enable us to continue the purchase of neutral commodities constantly for a long period. And he argues in consequence that by this system—

We will also be helping to keep the countries with which we trade in a healthier financial condition, which should be of great benefit in helping us to find a market for our goods when the war is over. \* \* \*

Selling Spain American dollars at 60 cents on the dollar would certainly serve to keep Spain in a healthier financial condition, but at our expense, and at our serious expense. It is unpardonable to permit our gold dollar to be at 40 per cent discount. It is shameful to the United States, and I shall not submit to it if I can help it.

Mr. SHAFROTH. Mr. President—

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Oklahoma yield to the Senator from Colorado?

Mr. OWEN. I yield.

Mr. SHAFROTH. The proposition which is made is, it seems to me, so absolutely void of any reason, that I should like to know whether Mr. Kent gives any other reason.

Mr. OWEN. I shall put the article in full in the CONGRESSIONAL RECORD, and I invite Senators to read it. It is absolutely shameful and disgusting. It has no argument in it worthy of the name.

Yet this man as an expert of the United States Treasury goes out and addresses a great convention of business men in the United States to persuade them that the dollar should be kept at a discount. The President wants our dollar at par; the Secretary of the Treasury wants it at par, and this alleged expert argues against having it at par. As the Senator from Colorado said, there can be no reason why the dollar of the United States, a dollar worth par in gold, should be selling at 60 cents on the dollar in Spain. There is no just reason for it. It is because the dollars we have loaned to our allies have been used in large part to meet the trade balances due to Spain for the Spanish commodity shipments to Great Britain and France, and because our own purchases here by our own importers compel our people, our importers, to have a certain limited number of pesetas, and the banks control the supply of commercial bills in pesetas and are speculating upon them and compel our importers to pay any price that they please. That is the reason of it. It is all right from the bankers' standpoint, but it is highly offensive to a good American.

It is argued that the United States will find it advisable to curtail its exports to neutral countries and to hold our imports within reasonable limits, and says:

An adverse exchange rate is the key to such force, and is a great regulator of trade. It puts such difficulties in the way of our imports that without other pressure we endeavor to do without them in so far as possible.

Certainly if our gold dollar buys 60 cents' worth in Spain, our merchants do regard it as a serious difficulty, because they must impose this excess charge on Spanish commodities on their

own consumers, with the merchants' profit in addition. It is a very serious difficulty, obstructing trade, interfering with legitimate commerce. It is precisely for this reason that such a difficulty should be removed, and imports and exports controlled by our other mechanism provided by law by means of a license system. We provided for that by a license system.

To argue that *this obvious evil is a benefit* because it is a means of preventing Americans from buying their necessities is illogical and senseless. The things they are obliged to have they will buy at the market cost. The purchase and sale of things nonessential to war can be and has been stopped by the license mechanism otherwise provided by law.

The discredited American gold dollar puts the United States in the attitude of having its currency dishonored and its financial credit abroad impaired. It gives psychological encouragement to the German and psychological discouragement to the allies. It has no commercial sense in it for the reason that just as France borrowed money from Spain at 7 per cent—3 per cent above the normal—and to that extent avoided the tax, we could borrow and avoid the tax we pay of 40 per cent on imports. It is better to pay 3 per cent per annum than 40 per cent with each turnover. The merchant keenly feels this. A bank expert does not. His class profits on fluctuating high exchange rates.

Mr. Kent's article emphasizes the fact that the Federal Reserve Board, through its Division of Foreign Exchange, knows the exact cash balances each Wednesday night which every country in the world has in the United States, and he states that the neutral countries are putting heavy balances into the United States. If this is true, then these balances have been transferred to the United States by bankers by the sale of credits acquired in neutral countries—by the sale of their commodities, payable in terms of their own money—and the New York bankers may sell such pesetas at a high rate to merchants compelled to compete injuriously for such pesetas or kroner or guilders. I would discourage this profiteering. Mr. Kent's advice would encourage it. I look at the problem from the viewpoint of the importer, exporter, consumer, and producer. The banking expert looks at the problem from the opposite side. His class profits on fluctuating exchange.

Moreover, the neutral countries are voluntarily sending their balances to America, which is the only thing required to bring the dollar immediately to par if sufficiently encouraged, but Mr. Kent is opposed to encouraging the putting of the dollar at par. If his general thesis be correct. While it is to our obvious advantage, as Mr. Kent says, to encourage these countries to put their balances in the United States, what becomes of Mr. Kent's argument that it is to our advantage to keep the dollar below par when he would encourage these balances which would bring the dollar to par. The one argument contradicts the other.

We can put the dollar to par in several different ways.

First, by forbidding the sale of pound sterling for dollars and compelling the Spanish merchants to buy dollars with pesetas. And this only means limiting arbitrage until the dollar reaches par.

Second. We may accomplish it by placing United States bonds payable in pesetas in Spain, and thus buy pesetas necessary to meet the urgent, though limited, demand of our importers.

Third. We can accomplish it by encouraging what Mr. Kent says is taking place without encouragement. That is, encouraging foreign banks to keep balances in the United States at interest, and we can afford to pay them 6 per cent or 7 per cent for such balances, rather than compel our merchants to pay 40 per cent for exchange and the customer in the United States 40 to 50 per cent for commodities.

Moreover, if the dollar was at par; if the policy of the United States was to keep the dollar at par, these balances of neutral countries would greatly expand, because then foreign bankers would know that they would not suffer any loss in the future by the depreciation of the American dollar by this adverse exchange. When they know that they will get their principal back with interest in terms of their own currency at par they will deposit their balances here more readily.

Fourth. We can bring the American dollar to par by imposing an extra tax on goods required by Spain, putting the export tax at the currency rate of the exchange, whatever it is. It would not take Spain long to discover the wisdom of exchanging pesetas for dollars at par, but I do not believe in such a friction-arousing policy.

Fifth. Another way to put the dollar at approximate par is by negotiating with the Government of Spain, with the cooperation of France and Great Britain, and seeking their just treatment as a matter of amity and commercial decency. This, however, would require a constant series of negotiations, and while of

value, is not of as much value as using the absolute power which we have to require commercial justice through the regulation of individual transactions.

It will be remembered we put upon the finance-corporation bill a provision that those bonds might be issued in terms of foreign money, and we put in the third liberty-loan bill that the bonds of the United States might be issued in terms of foreign money, so that a person acquiring those bonds in foreign countries would know he would get his principal and interest back without the discount of an adverse exchange rate. Congress did that very thing for the purpose of bringing the dollar to par, showing that the Senate of the United States desires to put the dollar at par, that both Houses desire to put it at par, and yet this expert of the Treasury is advising the bankers of the United States and argues in favor of keeping the dollar at a discount.

The Congress of the United States expressly authorized the President of the United States not only to embargo gold and silver, if desirable, but also to embargo credits; and when we put an embargo on the sale of dollars for pound sterling and compel Spain to buy the dollars she requires of us with pesetas, thus giving us pesetas in exchange for these dollars, we have an immediate remedy without dealing unjustly in the slightest degree with Great Britain.

Because Spain imported from us last year \$92,000,000 of goods and we imported from her only \$36,000,000, she owed us on a net balance \$55,000,000. Yet the American dollar has come to so low a level that it only brings 60 cents in Spain, when, in point of fact, if we compelled Spain to buy her dollars from us exclusively we could make a dollar worth 60 per cent above par, because she is obliged to have our dollars.

Our loans to our allies have been injuriously, if not wrongfully, used against us. On May 21, 1917, in Des Moines, Iowa, Hon. W. G. McAdoo delivered at a meeting of business men and bankers of Iowa an address, in which he explained that the loans already authorized to be made our allies of \$3,000,000,000—and that was enough to consume our credit trade balance for that year—would go to "five billions or six billions," and said in relation to the bond issue: "*This money is not going to be taken out of the country. All of this financing is largely a matter of shifting credits; it is not going to involve any loss of gold; it is not going to involve any loss of values.*" and so forth.

The money was taken out by hundreds of millions. We shipped, I understand, 80,000,000 gold dollars to Spain last year, through London. Spain owed us \$55,000,000. We let Great Britain have that \$55,000,000 to pay Spain, and we furnished \$88,000,000 more of our gold to pay British balances due Spain; and on top of that our dollar has been permitted to go to a tremendous discount, and every dollar we buy now is costing our consumers 50 per cent more than it ought. In our normal purchases in Spain it would cost us one-half of \$36,000,000, or \$18,000,000, per annum. In that one country there is a great net loss to America. Is that to the advantage of the United States in a great war? It is against the interests of the United States, it is in the interest of Germany, and I object to it most seriously. I filed my objection in the Treasury Department. I argued this matter before the Federal Reserve Board, with Mr. Kent present, and Mr. Kent told me to my face it is better for the dollar to be at a discount. That argument was made in the Federal Reserve Board room; afterwards I presented the answer fully on the floor of the Senate. To have this expert go out in the United States carrying on a false propaganda is unendurable and ought not to be permitted by the Government of the United States.

The money was taken out by hundreds of millions, involving loss of gold and of values, and then Congress passed an act authorizing the President to control the sale of dollars or transfer of credits. The President put the power in the hands of the Secretary of the Treasury by his proclamation of October 12, 1917, and Mr. McAdoo trusts it, apparently, to Mr. Kent, who now seriously argues against keeping the dollar at par, as the President and the Secretary of the Treasury desire, and as the Congress desires it shall be done.

We must stand by our allies, and we can do so and still protect the dignity of our own currency. We ought to protect the American dollar, and as economically as possible. We can be as generous as we please with our allies and still preserve the honor and dignity of the American dollar.

What was the anxiety shown by the British Government a few days ago when an appeal was made to us for \$350,000,000 of silver? It was to keep the rupee at par. Did Great Britain think it important? She thought it vital. The rupee was being put below par by a well-organized German propaganda in India. I will not stand for any propaganda to put the American dollar below par for this country; I do not care what the motive of the man is, and I assume, indeed, I am glad to be-

lieve, that his motives are not bad. I do not think his motives are necessarily bad. I merely think that he lacks common sense.

If necessary for us to borrow from these neutral countries, who are without effort placing their balances here and paying them a high rate, 6 per cent, 7 per cent, it would only be 2 or 3 per cent margin per annum on enough money from the Spanish banks to pay for our imports from Spain at par, whereas Mr. Kent would advise us to pay 40 per cent discount on our goods shipped from Spain as a means of winning the war. It is bad advice, and if Mr. Kent does not know better he ought to be retired. If he does really know better—and I do not think he does—he ought to be indicted for aiding the enemy.

It is a serious thing, putting the dollar at a discount. It is a very serious thing. Suppose the American dollar were to fall to a discount to-day in the United States, what would it mean? It would mean that every gold dollar would go in hiding. That is what it would mean. It would mean that every contract in the United States would be suddenly thrown upon a fictitious basis and dislocated. It would mean the most complete upset of all our business life. Every man knows that, and we have taken infinite pains to store up gigantic quantities of gold for the purpose of keeping the American dollar at par in the United States, so that everyone who deposits in our 25,000 banks should know that he can get his deposit in gold on demand. To say that the dollar should be at a discount abroad while it is at par at home has no logic, has no justification, and is mischievous in the highest degree.

Mr. GALLINGER. Mr. President—

Mr. OWEN. I yield to the Senator.

Mr. GALLINGER. I am in full accord with the argument the Senator is making that our dollar ought to be kept at par. I am going to ask the Senator a question that is not directly related to the subject he is discussing, and that is why it is that the bonds the Government is issuing to the people of the country at the present time are not at par in the market?

Mr. OWEN. I think it is easily answered.

Mr. GALLINGER. I should like to have the reason given.

Mr. OWEN. I think it is easily answered. There are a great many people here really hard up themselves who borrowed money to buy bonds with, and after finding that there is a market demand by those who have currency available, those persons who are in difficulty offer their bonds for sale. That is all there is in it. They are willing to make the sacrifice and they do not carry them because they are hard up. That is all there is about it.

Mr. GALLINGER. Does the Senator think the bonds that are being traded on in the New York market, as an illustration, come from that class of people?

Mr. OWEN. Yes; I do.

Mr. GALLINGER. I am glad to have the explanation, because it has been a rather troublesome question to me.

Mr. OWEN. There is, I think, no doubt about that. Of course, the Government has been urged to adopt the policy of undertaking to hold the market up by buying the bonds at par, but that is regarded by many prudent financiers as containing some very serious objections.

Mr. SMOOT. Mr. President—

Mr. OWEN. I yield to the Senator.

Mr. SMOOT. I simply want to add another reason, and that is that the money is worth more than the rate of interest that is being paid on the bonds. That has a tendency also to throw the bonds on the market, and when there is a greater amount of bonds offered than there are people to buy them it naturally depresses the bond value.

I will say also to the Senator that English bonds to-day at the rate they are selling to investors bring a better rate of interest than our bonds now that are selling at 97.80, I believe, to-day and drawing 4 per cent.

Mr. GALLINGER. I hark back to the bonds that were issued during the Civil War. They were issued at 3.65, I think, in a very large amount. They never were below par in the market, as I remember. On the contrary, they were always above par.

Mr. SMOOT. The Senator will remember in this connection that our greenbacks were below par.

Mr. GALLINGER. Oh, yes.

Mr. SMOOT. And therefore the people preferred to have bonds rather than depreciated currency. With currency below par, gold is withdrawn from circulation, and that is what the Senator from Oklahoma referred to in his remarks a moment ago; and it will always happen that the dearer money will seek a hiding place.

Mr. OWEN. Yes; that is true.



Mr. SMOOT. And the cheap money is always the money that enters into circulation.

Mr. OWEN. That is true.

Mr. SMOOT. For that reason the man who held the bonds during the Civil War period that ultimately had to be paid by the Government of the United States in gold was not willing to dispose of them for currency at a depreciation of 40 and 50 per cent.

Mr. OWEN. Mr. Kent emphasizes the fact of the bank balances of neutral countries piling up in the United States; also that the neutral countries have stripped themselves of commodities to sell them at a high price to Germany, and they must after the war look to us for commodities. This is true; and it means that the normal demand for commodities from America after the war would give us the equivalent of probably in excess of an annual commodity trade balance of a thousand million dollars. In addition to this will come interest charges from Europe amounting to a half billion more, and in addition to this will come the mercantile marine freight credits of American ships, so that America may be expected to have a flow of balances due her amounting to two or three billion dollars per annum after the war is over.

All of these neutrals will need their trade balances then in the United States, and they need, and they know they need, them now to begin the arranging of credits in America to supply them with needed commodities after the war, for America will be in a position to control commodities all over the world because of the balances which will be due her.

Mr. Kent does not see that these facts comprise an overwhelming argument why the dollar should go to par and stay at par, because the necessity of the world for the American dollar will be gigantic. We have the right to anticipate their needs for this dollar and place our own bonds abroad and invite neutral balances here. Indeed, our trade balance last year was \$3,000,000,000. That must be paid with dollars, or commodities, or gold, or securities. Indeed, it forms the basis upon which the American dollar would go to a premium if it were permitted to do so, which we ought not to allow, however, as the dollar should be used as a standard measure of value, never varying, utterly dependable, the standard of value throughout the world, if we want our country to be the financial center of the world.

The bankers should not be permitted to tamper with our financial yardstick, even if they do profit by it or profiteer by it, as I verily believe some of them are doing now; I hope not with Mr. Kent's knowledge.

Mr. SMOOT. Will the Senator yield?

Mr. OWEN. Certainly.

Mr. SMOOT. I am very much interested in what the Senator is saying, and I think it would be good if the American people generally understood the situation. I wish the Senator would also add to his remarks that it is not only the banks in Spain that are profiting by a depreciated United States currency, but speculators, and the speculator to-day is making all the way from 20 to 25 and 30 per cent on every dollar of foreign-currency bills that he can secure.

Mr. OWEN. I have no doubt that is the case, but we ought not to allow a condition to remain where this kind of thing can be done at the expense of the American people. That is the point I am making.

Mr. Kent justifies our gold embargo and enlarges upon our exact knowledge of balances held by neutral countries in America. This is the end of the argument of Mr. Kent in telling why the Reserve Board allows United States currency to remain at a discount. His alleged explanation of three columns is no explanation whatever. It explains nothing. And the laudatory headlines of the article, with its boast that it is a scientific exposition is utterly inaccurate but very serviceable as a piece of propaganda. He makes no adequate or convincing explanations whatever to justify keeping the dollar at a discount.

The utterly fallacious argument has been made that while importers lost heavily exporters gained.

That argument appears on page 158 of the Federal Reserve Bulletin of March 1, 1918. As a matter of fact, an exporter neither gains nor loses. A man who takes a thousand dollars' worth of goods from New York to Barcelona gets his \$1,000, and if he pays the freight and commission he gets his freight and commission back and \$1,000. If he gets 3 pesetas for a dollar he immediately sells his pesetas for dollars and gets the dollars back, and it comes out the same \$1,000; and that is all there is of that.

As a matter of fact, in a country where the currency is depreciated workmen are temporarily paid less and goods are made for less and exports are stimulated by this fact of the goods being made cheaper at the expense of labor.

That is an old truism in the doctrine of international exchanges, explained by various writers, and a school boy who has studied international exchange knows about it. But this is a transitory matter and has no relation to the United States because the dollar in the United States has not depreciated. Labor is not underpaid in the United States; goods are not selling below a normal profit in the United States. The contrary is true of Germany. German labor is underpaid, her currency at home has depreciated, and she is making goods cheaper than they can be made in Sweden, but at the expense of her own German workmen, and Germany is thus underselling the manufacturers in Sweden. Sweden is on the point of passing a tariff act to exclude that advantage over Swedish manufacturers gained by Germany at the expense of the poor, underpaid German workmen. While that appears in the Federal Reserve Bulletin, it affords no justification in keeping the American dollar at a discount because we gain no advantage in exports.

Mr. Kent is advertised as having complete control of all foreign-exchange transactions. If he had exercised the powers given to the President and restricted the transfer of United States credits abroad, the American dollar would have been at par now. It can be brought to par within a very short time in most of the neutral countries.

It is perfectly plain to any man who will follow this with the least attention. If we forbid the sale of dollars for pounds sterling, then the only way Spain can get dollars from us to pay her \$92,000,000 of bills to us is to buy dollars from our market by the sale of her commercial bills in payment for shipment from the United States to Spain. Spain would have, then, to buy \$92,000,000 worth of dollars from us, less our purchases of \$36,000,000 of commodities from Spain.

Mr. SMOOT. Or send gold for it.

Mr. OWEN. Or send gold for it, and therefore our dollars would immediately go to par. They would go to par inside of a week. Congress gave that power to the President, and he gave it to the Secretary of the Treasury, and the Secretary of the Treasury gave it to Mr. Kent, and Mr. Kent advises us now not to do it, notwithstanding the President wants it done and Congress wants it done.

Mr. GALLINGER. Mr. President—

Mr. OWEN. I yield to the Senator.

Mr. GALLINGER. If the Senator will pardon me, I ought to have understood his statement concerning Mr. Kent, but I was engaged otherwise. Will he state who Mr. Kent is?

Mr. OWEN. Mr. Kent has charge of the foreign-exchange business of the Federal Reserve Board, and he visées the transfers of credits from the United States. Congress authorized the President to control the transfer of credits from the United States. The President authorized the Secretary of the Treasury to discharge this function. The Secretary put Mr. Kent in charge, and Mr. Kent tells us it is better not to do it.

Mr. GALLINGER. So Mr. Kent in a sense speaks officially; that is, he is an official of the Government?

Mr. OWEN. Yes; he is supposed to speak officially; but I insist that he is misrepresenting the officers who are in control of that department. I am satisfied from what he has said to me that the Secretary of the Treasury wants to put the dollar at par.

The Spanish Government in 1916, finding that there was danger of Spanish credits and Spanish commodities migrating from Spain to furnish the sinews of war to the belligerents, passed an act prohibiting the placing in Spain foreign or Spanish securities except with the approval of the council of ministers. I wish, without reading, to put the Spanish royal decree and act of the Cortez in the Record for the information of Senators. I will not take the time to read it.

The VICE PRESIDENT. Without objection, permission to do so will be granted.

The matter referred to is as follows:

[Translation.]

ROYAL DECREE.

In accordance with the council of ministers, I hereby authorize the minister of finance to present in the Cortes a project of law prohibiting the introduction into Spain of foreign securities without the authorization of the Government.

Given in the royal palace this 14th day of June, 1916.

ALFONSO.

The Minister of Finance, Santiago Alba, to the Cortes:

The abnormal conditions controlling the economic life of all countries in consequence of the present European war demand in our own country, as in others, the adoption of measures of an exceptional character to prevent, as far as feasible, the emigration of Spanish funds to the detriment of the development of national wealth, and the withdrawal from the State of the means for carrying out, at the proper moment, such credit operations as may be demanded by public interests.

Bearing these considerations in mind, and without forgetting that measures of this nature must always have such elasticity as may permit the Government to alter them as the case and circumstances may demand, the undersigned minister, in accord with the council of ministers and with His Majesty's authorization, has the honor to submit to the deliberation of the Cortes the following

PROJECT OF LAW.

Article 1. After the promulgation of the present law, and until a date which shall be fixed by decree agreed upon at a council of ministers, there shall be prohibited: Announcing, issuing, putting in circulation or for sale, pawning or introducing in the Spanish market securities of the debt and other legal tenders of foreign governments, as well as stocks, obligations, or titles of any kind of companies or corporations not Spanish.

Nevertheless, on the proposal of the minister of finance, the council of ministers shall be able to grant, in respect to provisions in the preceding paragraph, the exemptions he may judge proper.

Article 2. The Government likewise, on the proposal of the minister of finance, may prohibit the introduction into Spain of Spanish securities, of corporations or societies, also Spanish, whenever these stocks are domiciled abroad. Those who desire to introduce them are hereby obliged to report to the Government as to such introduction and destination.

Article 3. The violation of the present law shall be punished with a fine of 1,000 to 10,000 pesetas, and in case of repetition, with a fine of from 10,000 to 25,000 pesetas.

Article 4. The minister of finance will dictate the proper orders for the execution of this law.

Madrid, June 14, 1916.

SANTIAGO ALBA,  
The Minister of Finance.

Mr. OWEN. It was precisely the same principle which caused Congress, as a war measure, to pass the trading with the enemy act, approved October 6, 1917; among other things the act providing—

That the President may investigate, regulate, or prohibit under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange, export or earmarkings of gold or silver coin or bullion or currency, transfers of credit in any form (other than credits relating solely to transactions to be executed wholly within the United States), and transfers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, whether enemy, ally of enemy, or otherwise, or between resident of one or more foreign countries, by any person within the United States; and he may require any such person engaged in any such transaction to furnish, under oath, complete information relative thereto, including the production of any books of account, contracts, letters, or other papers in connection therewith in the custody or control of such person, either before or after such transaction is completed.

Why? For the very reason that I have mentioned, so as to prevent credits migrating from the United States, unjustly and unfairly to us, and putting our dollar below par abroad.

It was the same principle that caused Congress to pass the espionage act, approved June 15, 1917, which among other things provides—

SECTION 1. Whenever during the present war the President shall find that the public safety so require, and shall make proclamation thereof, it shall be unlawful to export from or ship from or take out of the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such time or times, and under such regulations and orders, and subject to such limitations and exceptions as the President shall prescribe, until otherwise ordered by the President or by Congress: *Provided, however*, That no preference shall be given to the ports of one State over those of another.

On October 12, 1917, the President vested in the Secretary of the Treasury the control of foreign exchange, exporting, gold transfer, credits, etc., in the following terms:

I hereby vest in the Secretary of the Treasury the executive administration of any investigation, regulation, or prohibition of any transaction in foreign exchange, export, or earmarking of gold or silver coin, or bullion or currency, transfers of credit in any form (other than credits relating solely to transactions to be executed wholly within the United States, and transfers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, or between residents of one or more foreign countries, by any person within the United States; and I hereby vest in the Secretary of the Treasury the authority and power to require any person engaged in any such transaction to furnish under oath complete information relative thereto, including the production of any books of account, contracts, letters, or other papers in connection therewith in the custody or control of such person, either before or after such transaction is completed.

At the same time the President vested in the War Trade Board the authority to issue licenses for exports or imports in paragraphs 2 and 3 of his Executive order of October 12, 1917, in the following language:

I hereby vest in said board the power and authority to issue licenses under such terms and conditions as are not inconsistent with law, or to withhold or refuse licenses, for the exportation of all articles, except coin, bullion, or currency, the exportation or taking of which out of the United States may be restricted by proclamations heretofore or hereafter issued by me under said Title VII of the espionage act.

I further hereby vest in said War Trade Board the power and authority to issue, upon such terms and conditions as are not inconsistent with law, or to withhold or refuse, licenses for importation of all articles the importation of which may be restricted by any proclamation hereafter issued by me under section 2 of the trading-with-the-enemy act.

The President of the United States, the Secretary of the Treasury, and the best bankers, and various international experts with whom I have discussed this matter are convinced of the wisdom of maintaining the dollar at par. The only difficulty having been the means by which to accomplish it. I re-

gard it as grossly unbecoming in Mr. Kent to attempt to create public opinion in favor of keeping the dollar below par. Such conduct I regard as disloyal and insubordinate to the President's wishes and deserving a stern rebuke. Mr. Kent should devote his knowledge in suggesting and perfecting plans by which the dollar could be put at par and the Reserve Board and the Treasury Department officials should find a means of thus protecting American interests, and Mr. Kent's conduct in going before the National Foreign Trade Council and attempting to mislead public opinion I regard as very reprehensible.

In my judgment the Secretary of the Treasury should dismiss Mr. Kent from office as unfit to advise the Treasury Department of the United States. It is this kind of advice, the advice of the banker who thinks in terms of interest, or profit and of commissions, that is calculated to mislead the Government officers.

Some banks profit by fluctuating exchange rates, and some banks profit by speculating in exchange rates, by acquiring foreign credits at a low rate and selling them to our merchants who are compelled to have foreign credits in foreign currency at a high rate. The bankers, however, should not prevail over our importers and consumers.

Mr. GALLINGER. Mr. President, alluding to Mr. Kent, I will ask the Senator from Oklahoma if he has knowledge as to whether or not any member of the Federal Reserve Board indorses Mr. Kent's views? It has been suggested, or at least I have heard it suggested, that at least one member of the Federal Reserve Board was in harmony with Mr. Kent.

Mr. OWEN. I think that the influences surrounding Mr. Kent have been persuasive with some members of the board. I should not like to quote their names, unless they wish to put themselves on record with regard to it; but I think one or two members of the board have been led to that belief; and it is perfectly obvious that they have been grossly misled.

Mr. GALLINGER. I do not wish to mention any name myself, but it has been suggested to me that such is the fact.

Mr. OWEN. I think it is the fact. That is the reason why I regard this advice as particularly mischievous, because the members of the Federal Reserve Board who have lived only within our domestic lines, who have not been engaged in international banking, and who have had no particular reason to have studied this matter, necessarily would rely upon such alleged expert advice; I should not be inclined to blame them for accepting the opinion of a man whom they regard as very high authority; but when I see the advice is wrong I feel it my duty to the country to speak out and show why it is wrong, because it is injuring American interests in this war, and I do not think we ought to permit it.

I submit a statement of the exports and imports from the neutral countries of Europe with the United States, showing a net balance due us of about \$200,000,000 last year. These balances must increase because those countries have denuded themselves in large measure in supplying the belligerents around them, and they have to call on us more and more for supplies.

Balance of trade in the commerce of the United States with the neutral countries of Europe during the calendar year 1917.

Countries.	Imports.	Exports.	Excess o —	
			Imports.	Exports.
Denmark.....	\$977,453	\$32,388,864	.....	\$31,411,411
Netherlands.....	22,744,504	99,523,301	.....	67,778,797
Norway.....	6,289,233	62,863,850	.....	56,574,617
Spain.....	36,881,639	92,469,320	.....	55,587,680
Sweden.....	18,009,487	20,900,854	.....	2,891,367
Switzerland.....	19,834,668	19,502,045	\$332,623	.....

The international credit trade balances to the neutral countries of Europe were large, and they received in lieu thereof gold and credit and securities, the securities being merely a form of credit. The Government of the United States can control both imports and exports under the law. It can, as far as the neutral countries are concerned, immediately bring the dollar to par, because they owe us more than we owe them, and we only need to require them to buy the dollars they owe us in terms of their own currency to give the American consumers the benefit through their merchants of foreign currency at par.

Inducing the foreign banks to place their balances in the United States directly is another way to do it to accomplish the same end.

Selling United States bonds in these neutral countries is another way to accomplish it.

All of these factors should be employed and through every available agency the dollar should be brought to par and kept at par as a means of helping us win this war.



I ask permission to put the article of Mr. Kent into the RECORD, without reading.

The VICE PRESIDENT. Without objection, it is so ordered. The article referred to is as follows:

[From the New York American, Apr. 22, 1918.]

**WHY RESERVE BOARD ALLOWS UNITED STATES CURRENCY TO REMAIN AT DISCOUNT ABROAD EXPLAINED BY F. I. KENT—TELLS CINCINNATI CONVENTION THAT BENEFITS BOTH NOW AND AFTER THE WAR WILL RESULT FROM POLICY—HINT TO CHILE FOR CREDITS.**

Attention has been so intensely centered on the increasing discount to which the dollar has been falling abroad that an explanation of the international financial position of the United States at this moment is of wide interest. More so, if this explanation comes from one in high authority. The following simple and yet almost scientific exposition of the foreign exchange relations of this country was given in a speech by Fred I. Kent before the National Foreign Trade Council at its convention just closed at Cincinnati. Mr. Kent is in charge of the Foreign Exchange Division under the Federal Reserve Board. He passes on all foreign exchange transactions, and in his hands is concentrated the stupendous task of seeing that no funds pass out of the country into enemy hands. This requires examination of an immense number of drafts and papers. But it also places in his hands information invaluable to the country while at war. Why certain of our exchanges have been allowed to depreciate is fully explained by Mr. Kent. He also outlines the general policy with regard to our giving aid to strengthen allied exchange rates in other countries.

[By Fred I. Kent in his speech before the National Foreign Trade Council.]

The cry of the orator for a dollar at par throughout the world may be valuable in time of peace as commercial propaganda, but it has no place in time of war, particularly with a world's war, such as exists to-day.

The United States in order to carry out her part in the war, is going to be obliged to supply from her own resources and from those of many other countries of the world commodities to the value of many billions of dollars. Regardless of her great wealth, there is a positive limit to her ability to furnish such supplies. In order to win the war she must be in a position to do so for a longer period than the enemy. The length of time that she can continue to furnish needed supplies will depend upon her ability to conserve her resources. There are many products which she can obtain from within her own territory that will outlast the war needs. There are many others, however, which need supplementing from other countries of the world if we would maintain the highest efficiency of the war engines which we produce and of the men who operate them.

#### OUR BEST COURSE.

Our greatest interest, therefore, and that of our allies, demands that we maintain such commercial relations with the neutral countries which have commodities that will be needed by us as will enable the United States to continue the purchase of such commodities constantly for a long period. While there are probably none of these commodities which we can not (if need be) develop substitutes for, yet if we can continue their purchase from other countries, partly in exchange for things which we can better spare than the articles received for them, we will have accomplished two most important results—we will have maintained our foreign trade with other nations and so have held their interest in this country, and we will have saved the time of that portion of our population which might otherwise have had to be engaged in creating and manufacturing substitutes, in work that will result to our greater advantage. We will also be helping to keep the countries with which we trade in a healthier financial condition, which should be of great benefit in helping us to find a market for our goods when the war is over and our manufacturing interests turn from war industries.

#### MUST CURTAIL EXPORTS.

As the war goes on, the United States will find that it will have to curtail its exports to neutral countries, as Great Britain, France, and Italy have been obliged to do, so that it is reasonable to suppose that the balance of trade with many neutral countries will be constantly against us throughout the war. This being true, and it being greatly to the advantage of neutral countries to have our market for their goods continue in as large a way as possible, we must have some strong force to hold our imports within reasonable limits. An adverse exchange rate is the key to such force and is a great regulator of trade. It puts such difficulties in the way of our imports that without other pressure we endeavor to do without them in so far as possible.

The countries of export, in order to keep a market for their goods, will strive to find ways to allow continuation of such exports as we must have, even to the point of allowing funds to pile up in this country or through the extension of credits.

#### FUNDS ACCUMULATE.

As funds accumulate here which can not be exported there will be an increasing tendency on their part to purchase commodities from this country with them, which will offer a great inducement to the people of the United States to strive along with their war work to pay a part of their accumulating indebtedness through current exports.

In Argentina, for instance, we find that for the protection of its people the Argentine Government considered it to its very great interest to make an arrangement with the United States under which Argentine funds would be left on deposit in this country until after the war, provided the disbursement of the equivalent in Argentina was made for exports from Argentina to the United States. It is also true that the exports from the United States to Argentina increased from \$76,874,258 in 1916 to \$107,641,905 in 1917, even though we were not at war in the first year and were at war in the second. As long as exchange continues against us with Argentina the same tendencies will continue active, and when the war is over we will be as much less in debt to Argentina as the amount of exports which we have been able to furnish her year by year, that have been withdrawn from this country by her in order to get her funds home and make it possible, together with the extension of such credits as she can afford, to keep our market for her goods open.

#### AS TO ARGENTINE WOOL.

On our part we have, for instance, been induced to conserve and increase our supply of wool, so as to be able to import less from Argentina. As a result as the war goes on, we can hope to keep our relations with Argentina in such position that she will look upon us as being a country of great value to her, and, further, that she will accept us as her banker, so to speak, in that her surplus funds made through her war profits will have been accumulated in this country only to a natural extent, and not to such tremendous sums that she will become

concerned for their safety or in actual need of them. The exchange rate being against us and acting as a deterrent to our imports and a stimulant to our exports will have helped to preserve a natural and proper relationship of benefit to both countries, in so far as is possible while the requirements of war exist. There is also excellent reason to believe that after the war is over, Argentina may prefer in large part our commodities to our gold, and that she will desire to continue the banking relationship which she has established.

In Chile a similar condition exists, with one or two minor differences. Our present demand for nitrate, which Chile alone is able to supply in large quantities, has seemingly made us more or less dependent upon her; and the exchange rate, being against us, might appear to be entirely in her favor. Actually this has not proved to be true and will clearly be less so as time goes on. If Chile is to hold our market for her nitrate, it is to her interest that we be deterred from establishing plants to manufacture nitrate from the air to the same extent that has been done in Germany. If she would do this, she must make some arrangement that will enable us to continue to import her nitrate without prohibitive expense or overextension. That this situation is becoming more clear to her people is shown in the fact that the price of nitrate has fallen off in recent months. Again we find that our exports to Chile increased in 1917, when we were at war, over 1916, when we were not at war, the figures, respectively, being \$57,483,996 and \$33,392,887.

In Spain the exchange is also against us, even though in this case the balance of trade has been in our favor. In 1907 we imported from Spain \$36,881,630, whereas we exported to Spain goods to the value of \$92,469,329. This difference was offset through two principal operations—first by the sale of sterling exchange in this country by Spain; and, second, by the sale by this country to South American countries of Spanish pesetas.

#### HELPING GREAT BRITAIN.

As Great Britain was not in position to furnish Spain with such commodities as she required, Spain transferred her sterling balances to the United States. The transfers were sufficiently large, together with other items, to force the exchange against us, which has resulted in greatly increasing the desire of Spain to import from the United States, and we find that such imports increased from \$45,697,462 in 1915 to \$64,316,888 in 1916, and to \$92,469,329 in 1917. At the same time the operation was of great value to the allies, as it enabled Great Britain to obtain from Spain commodities required by her in France, which could be delivered without submarine loss. When selling pesetas to South America for the high prices obtained, we were helping pay for much-needed goods from those countries, and as they could be delivered to us without danger from submarines, it was to our greater interest, while such sales were being made, to import from South America and pay in pesetas than to import from Spain and pay in pesetas.

#### DOLLARS PILE UP.

The Spanish exchange having been against us has resulted in the piling up of dollars in this country to the credit of Spanish bankers, which has again, as has already been shown, produced a great demand for our exports. When the war is over, as the Spanish currency is nearly 100 per cent metal cover, there is good reason to believe that she will prefer to use such funds as may have accumulated by that time in this country for the purchase of our goods as she requires them, and that she will largely continue such of her balances here as may not be needed for this purchase.

We now come to a group of countries—the neutral countries adjacent to Germany—in all of which exchange rules against this country, and where in every case it is undoubtedly of great value to us. These countries are Denmark, Netherlands, Norway, Sweden, and Switzerland. Taken as a whole, our exports to those countries have been over three times as great as our imports from them, and yet the exchange has ruled constantly against us for a long period. Exchange has been turned against us through the sale in the United States of sterling exchange and through the remittance to the neutral countries concerned of German money. The transfer of funds to these countries by Germany has been most detrimental to the allies, as it has enabled that country to pay for much-needed imports that she might otherwise have been unable to obtain in the desired quantities.

#### NEUTRAL MONEY HERE.

The purchase by this country of sterling exchange from all of the countries in this group has resulted in the accumulation in the United States of huge balances belonging to the banks of the neutral countries mentioned. As in the case of the other countries which we have considered, this caused a strong tendency to import from the United States, but after we entered the war and placed an embargo upon exports to such countries, except where we could feel reasonably certain that they would not prove of value to the enemy, such exports have been reduced. To Denmark, from \$56,329,490 in 1916 to \$32,388,864 in 1917; to Netherlands, from \$113,730,162 in 1916 to \$90,520,301 in 1917; to Norway, from \$66,209,717 to \$62,866,850; and to Sweden, from \$47,967,590 to \$20,900,854. To Switzerland there has been an increase, as shipments have been made to help obtain imports from that country to France. The figures were \$13,654,256 in 1916 and \$19,502,045 in 1917. As we were not at war the first three months of the year, these figures do not tell the whole story. As a result the balances maintained in the United States by these countries are very large.

In connection with transfers for German account, the accumulation of such balances and the difficulty involved in withdrawing them at the moment is of great value to the allies. The exchanges being high, it means that every successful transfer made for German account results in that country receiving a much smaller sum to be used in payment for imports in the country of destination. It also has greatly increased the difficulty of making such transfers at any rate, for, as balances continue to grow here, even loaning against them in the neutral countries concerned becomes more difficult. Even so, the need of Germany for funds in these countries is so great that we can not exercise too much vigilance in preventing their transfer.

Practically all of these countries are understood to have so stripped themselves of much-needed commodities in order to obtain the high prices being paid by Germany that after the war they will be obliged to replace them through import.

Their situation as to gold is also an easy one, so that we should be able to pay back these balances after the war without friction if we are prepared to supply the goods that these countries will require.

#### MAINTAIN STERLING.

All of these countries have increased the balance of exchange against us by selling drafts on London in the New York market. If it had not been for such sales the United States might have been justified in continuing the shipment of gold, because of the tremendous supply held by us.

When, however, we were taking over sterling credits which these nations sold to us, *because we were helping maintain the sterling exchange rate*, the accommodation was on our side and we were warranted in holding our gold until after the war, unless we should find it to our advantage to release it sooner. This is particularly true in the case of the neutral countries adjacent to Germany, where we have furnished them millions of dollars more in goods than they have given to us, and where we have taken sterling off their hands whenever they considered it to their interest to sell it in our market. Our gold embargo, therefore, is not in the nature of a refusal to pay. It is merely a statement to the world to this effect: That we do not at the moment propose to waste our gold by exchanging it for imports which we can get along without, and that neither do we propose to pay gold for sterling exchange which we are purchasing with dollar exchange at a higher rate than its normal value based on the present cash position of the British Government with the rest of the world, but in thus conserving our gold until after the war we are holding it as a reserve against the deposits which are accumulating in the United States to the credit of the other countries of the world.

#### EXACT BALANCES KNOWN.

In the meantime we will allow such balances to be used as freely as may be desired for the purchase of such goods in this country as the exigencies of the war justify us in allowing to be exported, or through investment in securities or property of any other kind in this country.

In this connection it will interest you to know that the Federal Reserve Board, through its Division of Foreign Exchange, is in possession of the exact cash balance as it exists at the close of business each Wednesday night between the United States and every country of the world. It is also in possession of exact knowledge as to what causes the changes in such balances from week to week. As these figures develop, the position of our country to the world will be as clearly before the Federal Reserve Board as is that of a banker to his depositors. This will make it possible for us to apply a banker's knowledge to the question of the probable demands that will be made upon us from time to time and so enable us to determine how they may best be met. There will be no need for leaping in the dark, but every problem as arises can be considered from the scientific basis of complete understanding of the situation as a whole as it develops, and if we prove ourselves wise custodians of the world's money we can hope to remain as the world's bankers for many a year to come.

#### HOUSING OF GOVERNMENT EMPLOYEES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10265) to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs.

Mr. THOMAS. Mr. President, I ask the Secretary to read the amendment now pending, as I have changed it.

The VICE PRESIDENT. The Secretary will read as requested.

The SECRETARY. The bill reads, in section 8, page 7, line 18, as follows:

*Provided*, That \$10,000,000, or so much thereof as may be necessary, of the amount hereby authorized shall be used to build or acquire, as herein provided, housing accommodations within the District of Columbia.

Mr. THOMAS proposes to add, after the words "District of Columbia," the following:

, of which the sum of \$75,000, or so much thereof as shall be necessary therefore, shall be used by the Superintendent of the United States Capitol Buildings and Grounds to convert the building known as the Maltby Building into an apartment house or for office purposes.

Mr. SWANSON. Mr. President, I think that amendment is right, and I shall be glad to accept it. The Maltby Building has been a bone of contention here for the last 8 or 10 years. A great deal of time has been consumed in discussion relative to it. The effect of this amendment will be to put that building in a condition for use either for housing purposes or for office purposes. I think that will to some extent dispose of the matter, and I accept the amendment. I wish to say in this connection—

Mr. OVERMAN. If the Senator will permit me, before he proceeds, I should like to ask him a question. He has stated that he will accept the amendment. There has been an extensive plan adopted by the architects of the Government for a great park. We have bought land around the Capitol to the extent of three or four squares for that purpose. Included in that great plan for beautifying the city is the tearing down of the Maltby Building, adjoining which is the Bliss Building. I understand those two buildings are to be included in that great park. Congress has adopted that scheme for a park for the beautification of the Capitol and the Capitol Grounds, and it would be unfortunate to spend this money, unless the Government abandons this project which it has on hand to make extensive Capitol grounds here. The tearing down of those buildings, I understand, was included in the scheme, and we ought to look into this proposition before we adopt the amendment which has been proposed by the Senator from Colorado.

Mr. THOMAS. We have done nothing for years.

Mr. OVERMAN. I know that nothing has been done on account of the trouble we have had with the Baltimore & Ohio Railroad. We have bought some land surrounding the Capitol for several squares, and as soon as the war is over, I suppose, and the question of the Baltimore & Ohio Railroad is settled, this great scheme will be carried out.

Mr. THOMAS. Does the Senator think we ought to do it in war times?

Mr. OVERMAN. I do not, but I was thinking, if the Senator will permit me, that it is proposed that we shall spend \$75,000 on some property which is bound to be torn down under the action of Congress heretofore taken.

Mr. GALLINGER. Mr. President—

Mr. SWANSON. If the Senator will permit me, I think I have the floor.

Mr. GALLINGER. I was going to make an observation.

Mr. SWANSON. We shall simply spend \$75,000 to put this building into a condition for housing purposes or for office purposes during the war. Other buildings are adjacent to the Maltby Building and under this bill they are directed to be used for housing purposes and to be put in a suitable condition.

This bill also provides that all other unoccupied buildings which are owned by the Government shall be utilized during the war. I think the Government would save money if it spent \$75,000 during the continuance of the war to put this building in condition either for an office building, which I think it ought to be, or for housing purposes. It is a large building; it is not occupied. The House of Representatives wanted it to be used for housing purposes; but our committee investigated that, and we found that it would cost \$120,000 to put it in condition for housing purposes, and that then it would accommodate not over 137 people. Investigation, however, showed that it could, with a very small expenditure of money, be fitted so as to be used for offices for some of the departments that are now occupying apartments.

Mr. NELSON. Mr. President, will the Senator from Virginia yield to me for a moment?

Mr. SWANSON. I will.

Mr. NELSON. I call his attention to line 17, on page 4, of the bill, which limits the use of this building to living purposes. I think the language should be "office or living purposes," and that the bill should be amended in that way.

Mr. SWANSON. That is included in the amendment which has been offered by the Senator from Colorado [Mr. THOMAS], which I have expressed a willingness to accept.

Mr. OVERMAN. Mr. President, I understand—and I want to get it into the Record—that this is to continue only during the war.

Mr. SWANSON. It is done for war purposes; the bill ceases to be operative at the conclusion of peace.

Mr. OVERMAN. If I understand, then, this will not interfere with the great park scheme?

Mr. SWANSON. It would not in view of the previous action of Congress.

Mr. OVERMAN. I merely wanted to have that in the Record.

Mr. GALLINGER. Will the Senator from Virginia yield to me?

Mr. SWANSON. I yield to the Senator.

Mr. GALLINGER. This \$75,000 expenditure will be on all fours with the \$10,000,000 which are to be expended for temporary purposes largely in the District of Columbia, so that it will not be any more thrown away than the rest of the money which we are proposing to appropriate.

Mr. SWANSON. I believe that if \$75,000 is spent on the Maltby Building—and I do not think it will take that much to arrange it for office purposes—many of the apartment buildings which have been taken by the Army and the Navy and other branches of the service for office purposes can be turned back to their owners and occupied for residences, and the Maltby Building can be used for office purposes. I think that is a wise thing to do. My objection to the original provision in the bill was that it compelled the use of the Maltby Building for housing purposes alone. The amendment offered by the Senator from Colorado leaves it to the Superintendent of the Capitol Building and Grounds to determine whether it shall be used for office purposes or for housing purposes.

Before I take my seat I wish to say a few words in reference to the erection of the building opposite the Treasury and adjacent to the Belasco Theater. Work on that building has commenced. There has been a delay on account of the inability to get steel and other material.

Mr. GALLINGER. I stated that a little while ago.

Mr. SWANSON. Now, as to the Arlington property, a bill was introduced in the other House for the purchase of that property. The bill went to the Public Buildings and Grounds Committee of the House, and I think was reported favorably by that committee. If I am not mistaken, a rule was also reported by the Committee on Rules of the other House providing for the consideration of the bill authorizing the purchase of the property. That bill, however, was not acted upon. The building is in process of construction, and if the building was to be taken



by the Government it was necessary to take it at once in order that changes might be made to adapt it to offices and so that it should not be completed as a hotel. That was the only building of a permanent character available in the entire city of Washington that could be used by the Treasury Department. The Treasury Department, on account of the great enlargement of the Internal Revenue Bureau and the addition of other bureaus, is very much in need of additional space. If Senators will go to the Treasury Department they will see that all over the building clerks are out in the corridors. The Bureau of War-Risk Insurance of the Treasury Department is crowded into buildings scattered all over Washington; in fact, the Treasury Department, as I understand, occupies 18 different buildings in Washington for different branches of its work. Two or three billion dollars will be collected by the Internal Revenue Bureau, and that bureau has had to hire buildings all over Washington.

There was no other building that was available except the Arlington Hotel property, and the purchase had to be made quickly. As I understand, the money had been arranged for to complete it as a hotel. The question came up for the Treasury Department to determine whether they would spend half as much money and erect a temporary building, like the buildings being erected in the neighborhood of the State, War, and Navy Building, or to spend about twice as much for a permanent building that would afford accommodations for all time.

Mr. WILLIAMS. Mr. President—

Mr. SWANSON. I will yield directly. I believe it wise, even if it costs twice as much, if there is use for it in the future, to acquire a permanent building rather than to spend 50 per cent and merely get a temporary building that can not be used for permanent purposes.

I have not looked at the details, but I am satisfied that the Secretary of the Treasury and the President, in both of whom I have great confidence, obtained a reasonably fair bargain. The House is very exacting in its investigations of these matters, and the fact that the House committee reported the bill providing for the purchase of this property, and that the Committee on Rules reported a special rule for the consideration of the measure—and that procedure was followed because action had to be quickly obtained or not at all, as otherwise it would have been constructed as a hotel—I think demonstrates that the investment was a wise one, if the property could be acquired for a reasonable price.

Mr. WILLIAMS. Mr. President—

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Mississippi?

Mr. SWANSON. I yield.

Mr. WILLIAMS. I wish to ask the Senator from Virginia a question, because I have been considerably bothered about this matter. He knows that I am not a stickler, nor an unfair critic, but I can not understand why the Government of the United States, as the sole sovereign in the District of Columbia, did not exercise its right of eminent domain and condemn this property and have a proper condemnation jury decide what its value was.

Mr. SWANSON. That might have been done, perhaps; I do not know whether the law provides for that or not; I think the law authorizes condemnation for Army and Navy purposes.

Mr. WILLIAMS. Then, they could have gotten it for about a little less than half what was actually paid.

Mr. SWANSON. I do not know what its value is; I have never looked into that matter; I do not know what the facts are; I do not know what was paid; the bill was not introduced in the Senate; but was introduced in the House and was reported by the committee of the House, as I understand, and a special rule reported for its consideration; but I am satisfied that if any Senator desires to know the facts in connection with the matter he can readily obtain them. I understand that the parties got about what it cost them, with interest. As to whether or not too much was paid, I do not know; but I think it was a wise thing to obtain that property either by condemnation or purchase, if it could be obtained for a reasonable price. It is the only available building that could be obtained in Washington.

Mr. WILLIAMS. Mr. President, if the Senator will pardon me—

Mr. NELSON. There was not any building on the Arlington Hotel site; there was only a hole in the ground.

Mr. WILLIAMS. Mr. President, the last statement made by the Senator from Virginia is true, that what the Government is paying is about what it has cost the present owners plus a certain percentage; but that rule of measurement of value in this particular case will not do. The old Arlington Hotel was torn down, and the owners got ready to build a new and greater hotel there. They went down in the ground about two stories, and found a lot of water and wells, and had to sink a lot of piles, and heaven knows what. I do not now think it is right for the

Government of the United States to be charged with the misfortunes of the purchasers of the property or the extra cost which has accrued from having bought land subject to inundation.

Mr. SWANSON. I agree with the Senator.

Mr. WILLIAMS. The original price of the Arlington property with the old Arlington Hotel upon it—which by the way ought never to have been torn down; it was a good old hostelry, thoroughly all right in every respect—was not half what the Government is paying for the land, together with the building and the preparation thus far that has been given it.

Mr. SWANSON. Mr. President, I do not know as to the terms nor as to their reasonableness; but I wish to take the position that if there could have been obtained a building of a permanent character which would be needed and useful afterwards, it was a better proposition for the Government than to construct a building of temporary character, such as many of the buildings which have been constructed and which can not be used after the war is over. I repeat that I have not looked into the matter carefully, but I am satisfied, from my knowledge of the Secretary of the Treasury and the President, that if any Senator desires to investigate the matter, information will be furnished that will be satisfactory. I think, however, with the War-Risk Insurance Bureau and the Internal Revenue Bureau urgently needing additional space, and with the Treasury Department itself occupying 18 buildings, scattered all over Washington, that it was wise to get a permanent building, if it could be obtained at a reasonable price; and I am satisfied that the President and the Secretary of the Treasury got a very reasonable bargain. As I understand, contracts have been made for the steel, a part of which has been put in place, and that the building can be completed in about six months. I am satisfied that if any Senator will go down and see the Supervising Architect having charge of the matter he will be able to ascertain the cost, what is included in the purchase, and all the facts relating to it.

Mr. BRANDEGEE. Mr. President, will the Senator permit an inquiry at that point?

Mr. SWANSON. Yes; I will be very glad to yield.

Mr. BRANDEGEE. I do not know whether or not any other Senator has asked the question, but does the Senator know of this total of \$4,200,000, if that be the sum the Government has paid, how much is for the land and how much is allowed for the building?

Mr. SWANSON. I do not.

Mr. BRANDEGEE. I should think that would be a very pertinent inquiry.

Mr. SWANSON. I think the item for this property would have possibly been included in one of the appropriation bills, but a point of order was made in the House—it was on a deficiency bill, I believe—and if I mistake not, I can not be accurate about that, it was insisted that the Committee on Public Buildings and Grounds in the House should have jurisdiction of the matter. So a bill was introduced in the other House and referred to the Committee on Public Buildings and Grounds of that body, authorizing this building to be acquired. It was reported, as I understand, unanimously, although I can not say with absolute certainty as to that; I am speaking merely from rumor and from information. The bill was pending in the other body for some time; and I understand the Committee on Rules brought in a rule for its consideration on the ground that it was an urgent matter. However, the building was being constructed; it had reached the second story, and it had to be determined whether it could be adapted for an office building or for hotel purposes. In view of that situation, there being no other building available, as I understand, upon representations made to the President, he thought it was a wise business proposition for the Government to make that purchase.

As to the price paid, I have never looked into that, and I do not know what it was. The matter never came before my committee. My committee was waiting to act after the House committee acted, but I am frank to say that if the price were a reasonable one and not extortionate, as chairman of the committee, I would have favored the purchase.

Mr. NELSON. Mr. President, will the Senator allow me to ask him a question?

Mr. SWANSON. I will be very glad to yield.

Mr. NELSON. Had the company which sold this property to the Government begun the construction of this building before they sold it?

Mr. SWANSON. They had begun the construction; and the iron frame work, if I can recall, had reached the second story.

Mr. NELSON. They had put up a steel frame.

Mr. SWANSON. The steel frame had been put up to the second story, and I understand that the steel, the cement, and everything else necessary for the completion of the building had been contracted for.

Mr. GALLINGER. Mr. President, if the Senator will permit me, I think the Senator is in error in saying that they had in contemplation to erect a hotel. I think it was intended to be an office building.

Mr. SWANSON. My impression was otherwise.

Mr. GALLINGER. I think I am right about that.

Mr. SWANSON. I can not say with absolute certainty whether it was designed for an office building or not; but the time had arrived when, if the Government was going to acquire it and could acquire it at a reasonable price, it ought to be acquired so that it might be constructed to suit the needs and purposes of the Government. It was a question of whether the Government should erect temporary buildings for the War-Risk Insurance and other bureaus or spend money to acquire a permanent building; and, if the Government got a bargain and did not pay an extortionate price for the property, I will say I think the purchase was wise. I repeat, that I have never investigated this matter; I do not know what the property cost, and I do not know whether it is a reasonable price; I can not speak as to that, because no information has been brought to me concerning it, and I was waiting until the bill should pass the House and come to the Senate before going into the matter.

Mr. SMOOT. Mr. President, in answer to what the Senator has just said, I desire to say that the company which owned the Arlington Hotel had begun the construction of this building; and I wish to say that any Senator who will go down there and look at the building will see that it is not the class of building that the Government of the United States would erect. It is a very cheaply constructed affair, so cheap that the Government architect has in a number of cases substituted stronger and larger steel construction than the original plans called for; in fact, it seems to me, unless that had been done, the building would have been absolutely dangerous. Changes have been made in just as few instances as possible in order to insure safety in the construction of the building.

Mr. President, I think that the building was started as a cheap office building, with the idea of renting it at \$2 a square foot during the war; and it was thought by the owners that by a rental of \$2 a square foot they would be able to pay at least half of the cost of the building if the war only continued a year and a half longer.

Mr. SWANSON. I should like to say, in this connection, that the Secretary of the Treasury—and I have a great deal of confidence in his business capacity and his ability to look out for the interests of the Government—recommended the purchase of this property. I think the best building that has been constructed in Washington, considering cost, floor space, and appearance, is the new Interior Department building. It is a building that looks well, considering the amount of money spent upon it, and in the essentials of floor space and light, I think it is one of the best buildings in Washington.

Mr. SMOOT. Nobody denies that.

Mr. THOMAS. Does not the Senator think it would look still better if it were on Government ground nearer to headquarters?

Mr. SWANSON. Congress located it there. It was located before I was chairman of the Committee on Public Buildings and Grounds, but it was located on that site and there was no discretion given as to its location. Congress located it on ground, as I understand, that had been acquired for the purpose of erecting an archives building.

Mr. GALLINGER. That is correct.

Mr. SWANSON. The ground ought to have been utilized for that purpose, but there was no discretion in the Secretary of the Treasury, as I understand, to locate it anywhere else. I repeat that I am satisfied, considering light, floor space, and cost of construction, that it is the best office building we have in Washington.

Mr. GALLINGER. I will say to the Senator that when Congress purchased that property for an archives building, so called, it was a very wise purchase and the location was a very proper one; but it is a very improper one for a department of the Government.

Mr. SWANSON. I remember that I looked into that matter and I thought the building ought to be located somewhere else, in view of its fine character; but Congress located it there and no discretion was left in anyone else. Congress, as we all know, is loath to lodge discretion in others; but if discretion had been lodged in some officer of the Government, the building would have been located somewhere else, where it could have been seen to better advantage and would have been handsomer.

The Senator from Minnesota [Mr. NELSON] has referred to the land adjacent to the Treasury owned by the Government on which no buildings have been erected, although the land was acquired some years ago. Ever since I have been chair-

man of the Committee on Public Buildings and Grounds I have spent a great deal of time and gone to a good deal of trouble and worry to get estimates in detail of the space occupied by every one of the departments of the Government. I arranged for such reports to be made, and I tried to secure the passage of a bill providing for the erection of a building on the very ground referred to by the Senator from Minnesota on the corner opposite the Willard Hotel. My committee reported the bill unanimously to erect on that property a building for the Department of State and the Department of Justice, which are to-day renting buildings. More than half a dozen times I brought that bill up and tried to secure its passage in the Senate, but it was never passed, the rules of the Senate permitting Senators to talk measures to death and there being no previous question to enable the Senate to come to a vote. I persisted in that matter until the war came on, when I knew it would be impossible to secure authorization for the construction of a building on that property. But for the Senate long before the war that land would have been occupied by a building for the State Department and a building for the Department of Justice. The land was bought and paid for, and the Government paid \$40,000 for plans for the building, which were approved by the Supervising Architect of the Treasury. The Committee on Public Buildings and Grounds, as I have said, reported the bill unanimously, but every time it came up it was either defeated or talked to death; it was not allowed to pass the Senate.

Mr. GALLINGER. Mr. President, if the Senator will permit me, I think we ought to refresh our memories about that. I do not remember that that bill ever was antagonized in any such way as that. I was very warmly in favor of it, and I think I would remember if any such opposition as the Senator indicates were shown toward that bill.

Mr. SWANSON. When I sought to bring the bill up Senator Root, of New York, or Senator Burton, of Ohio, repeatedly objected to its consideration, or would talk on it, and consequently it was never passed. I have asked repeatedly for its consideration, but other measures have been taken up. I want to say now that the time is coming when an effort is going to be made to put up public buildings here in Washington to house all the activities of the Government, so that the Government will not longer be a renter of property. The Senator will have an opportunity to vote on propositions of that kind and character as soon as the opportunity affords.

The senior Senator from Virginia [Mr. MARTIN], the chairman of the Committee on Appropriations, and myself asked for a joint committee, consisting of representatives of the Appropriations Committee and the Committee on Public Buildings and Grounds, to make a report showing the land owned by the Government and indicating the buildings needed for the various departments and their cost. Reports have been made and we have the figures, but on account of the war it was not thought wise to engage in the work at this time; and I hope the Senator, when bills are introduced to take care of the situation in Washington in the future, will aid me in getting them through.

Mr. GALLINGER. Mr. President, if the Senator will permit me, I wanted to add, in reference to utilizing the property that we purchased for the very buildings that the Senator suggests his committee reported in favor of, I fear the Senator was not as insistent and vigorous then as he is now, because the Senator of late, when he has a bill to be considered, is certainly as determined and as earnest in its advocacy as any Senator in this body. I do not recall, however, that there was any great contest over that matter. I was so warmly in favor of it myself that I think I would remember if we had been thwarted in our purpose of getting that ground occupied.

Mr. SWANSON. The Record will show that repeatedly I brought it up for consideration.

Mr. GALLINGER. That may be so.

Mr. SWANSON. It died, of course, with the end of the session. I fully agree with the Senator from Minnesota [Mr. NELSON] that the time has come when we ought to have our own buildings in Washington. We ought not to be renters. I favor that. I have had commissions and my committee investigate it; but when the time comes, as a separate proposition, unless it is united with a general bill applying all over the country, putting up buildings at every little post office and crossroads in the country, it is nearly impossible to get it through.

Mr. GALLINGER. That day has passed, we all hope.

Mr. SWANSON. I hope so, Mr. President.

I ask for a vote on the amendment.

Mr. GALLINGER. Just one word, Mr. President.

An hour or so ago there was a debate in reference to the so-called Maltby Building. I made a statement then from recollection, not being absolutely sure that my recollection was ac-



curate, that the Superintendent of the Capitol Building and Grounds, to whom the repairs of the Maltby Building are now to be turned over, had made a report some years ago that that building was insecure and that it was not fit for tenancy. I felt sure that I was not mistaken, but the Senator from Colorado [Mr. SHAFROTH] said that I was mistaken about that; that it was the fire department that made the adverse report.

I have taken occasion to look up the matter, and I find that on March 9, 1904, 14 years ago, the Superintendent of the Capitol Building and Grounds made a report to Congress in which he came to the conclusion that the building was unsafe for occupancy at that time and that it would take approximately \$75,000 to put it in safe condition. In his report he calls attention to the fact that it is not adequately protected against fire, and he calls upon the chief of the fire department for his view about that, and the chief of the fire department supplements the report of the Superintendent of the Capitol Building and Grounds to the effect that it is absolutely unsafe because of its not being a fireproof building, and a statement is made showing the amount of money that it will take to make the building safe for occupancy, and it amounts to \$74,810. So that if the building is to be made safe, according to the views of the Superintendent of the Capitol Building and Grounds and the chief of the fire department, Mr. Belt, since deceased, it would take the amount of money that the Senator from Colorado proposes to appropriate in this bill, and, of course, it would take a much larger amount to put it in shape for office purposes.

I want that building utilized, however. I want it occupied by the Government, and I certainly shall vote with pleasure for the amendment submitted by the Senator from Colorado, but I shall do so fully satisfied that after that appropriation is exhausted, provided the condition is as it was found to be 14 years ago—and I imagine it has not improved with age—we will have to make another appropriation to put it in shape for office occupancy.

Mr. President, as I am anxious to have this bill disposed of, I shall not take the time of the Senate to read the report either of Elliott Woods, Superintendent of the United States Capitol Building and Grounds, or of Mr. Belt, who was then at the head of the fire department of the District, but I will ask unanimous consent to insert this report in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

[Senate Document No. 201, 58th Cong., 2d sess.]

#### SAFETY OF THE MALTBY BUILDING.

Letter from the Superintendent of the United States Capitol Building and Grounds, transmitting, in response to Senate resolution of March 2, 1904, a report on the condition, as to its safety for occupancy, of the Maltby Building. March 12, 1904, laid on the table and ordered to be printed, with accompanying illustrations.

OFFICE OF SUPERINTENDENT  
UNITED STATES CAPITOL BUILDING AND GROUNDS,  
Washington, D. C., March 9, 1904.

SIR: In accordance with Senate resolution passed March 2, 1904, directing the Superintendent of the Capitol to make a thorough examination of the Maltby Building (Senate annex), with the view of determining whether or not the structure is entirely safe for occupancy, etc., I have the honor to make the following report:

The Maltby House stands on what is commonly called made ground. From best information it was years back a dumping ground for all kinds of refuse. The site was formerly occupied by the car stables of the old Washington and Georgetown Railway Co., and the level at that time was many feet below the present level of New Jersey Avenue.

The exterior walls of the building appear to be in first-rate condition, and so far as I have observed have not settled to any great extent.

The original construction contained a brick elevator shaft, which, in the course of time and for the want of a good foundation, settled about 7 inches, carrying with it adjacent walls and floors.

Three years ago this elevator shaft became so insecure that in compliance with a request of the Sergeant at Arms of the Senate and in conformity with the law approved March 3, 1901, this office shored up the floors and adjacent partition walls and reconstructed the elevator shaft and foundations, substituting a shaft of steel, on account of its lighter weight, for the one formerly built of brick.

The tearing out of this elevator shaft required exceeding care, and when its foundations were exposed they were found to rest on what was practically an old bed of manure, over two cartloads of which were taken out, a new foundation substituted, and walls adjacent thereto underpinned and strengthened. Since this reconstruction I find that there has been little or no settlement at this point.

At the time of the reconstruction of the elevator shaft the floor of the vestibule was forced upward some 7½ inches to bring it approximately to a level.

Throughout the building are stacks of brick running from the ground up to and through the roof, containing fireplace flues. In nearly every case these have settled since the time of the construction of the building. Floors, partitions, and doorways, which by the nature of the construction are in a measure tied to the stacks, have correspondingly settled and are now very much out of level.

Pretty thorough examination into these conditions was made at the time of the reconstruction of the elevator shaft, and one point, the interior wall of the north side, where crossed by the main corridor, has been watched. It appears from comparison made with former observations that a little settlement of this wall and the chimney piers continues, but not to any great extent; at least not sufficiently to create immediate alarm.

The evident danger on account of fire led me to request the Commissioners of the District of Columbia for a special report to be made by the chief of the fire department and fire marshal, a copy of which is hereto appended. Their conclusions are no stronger than the facts warrant.

Wherever settlement of foundation walls has occurred the effects can be seen in the condition of every floor from the cellar to the roof.

To obviate this condition requires the removal of cellar floors to get at and strengthen the interior foundations: the tearing out and leveling up of practically all the floors of stories above the cellar, necessitating new plastering and repairs where the walls, ceilings, and doorways would be disturbed: the resetting of door jambs in nearly all cases. In many instances complete new doors and trimmings would have to be supplied.

The cutting out of interior walls to enable the leveling up of the floor joists would tend to weaken the present structure during repairs.

My final observations are that special precautions should be taken to prevent the overloading of floors throughout the building, especially with books in bags. If such overloading is prevented, there does not appear to be immediate danger.

If the Government desires to continue the use of the building, as they probably will for three or four years at least, I recommend that the entire cellar floor, which is of wood, be taken out and when out that the foundations of the inner walls be carefully examined and, where necessary, reinforced or underpinned, to prevent, if possible, further settlement. The floors should then be replaced with concrete to keep out the dampness.

If the Senate desires to make the Maltby House a permanent annex, the building should be entirely reconstructed within the outer walls, and that construction should be of the fireproof type, both as to floors and partitions.

If, for temporary occupancy, a new floor in the basement and strengthening of the foundations of interior walls is desired, the expenditure would amount to \$8,800.

If it is desired to enter into thorough reconstruction of the interior from cellar to roof, it would require approximately \$75,000.

I beg to transmit herewith plans—one of the basement story and one of the first story, which is typical of the floors above it, showing the brick walls and wooden partitions. On these plans will be found arrows pointing the direction of the general settlements which have occurred.

In making the inspection no floors were cut into to determine the condition of the wooden floor joists. Such as were exposed during the late reconstruction were found to be in good condition. To make such an inspection at this time would be an annoyance to those occupying the building.

In making my inspection I was assisted by Mr. S. S. Hunt, a builder of many years' experience, and by the engineer in charge of the building, Mr. Mankin. The latter was in charge of the building at the time the elevator shaft was reconstructed. Since that time he has kept faithful watch for further settlements, and pointed out to me in detail every observation he has made.

Very respectfully,

ELLIOTT WOODS,

Superintendent United States Capitol Building and Grounds.

Hon. WILLIAM P. FRYE,

President pro tempore United States Senate.

OFFICE OF SUPERINTENDENT  
UNITED STATES CAPITOL BUILDING AND GROUNDS,  
Washington, D. C., March 4, 1904.

The honorable the Commissioners of the District of Columbia.

GENTLEMEN: I am directed by the Senate of the United States to make a report on the structural and other conditions existing at the Maltby House, now used as a Senate Annex.

I think it is highly important that an examination and report be made by the fire department on the question of the liability to and danger of destruction by fire of this building.

I therefore have the honor to request that the chief of the fire department and the fire marshal be detailed as a board to make an inspection of the Maltby Building and report on this subject.

As my report is desired at the earliest possible moment, I will thank the commissioners if this matter will be given their immediate attention.

Very respectfully,

ELLIOTT WOODS,

Superintendent United States Capitol Building and Grounds.

The honorable COMMISSIONERS OF THE DISTRICT OF COLUMBIA.

HEADQUARTERS OF THE FIRE DEPARTMENT  
DISTRICT OF COLUMBIA,  
Washington, March 7, 1904.

GENTLEMEN: Pursuant to your direction, and at the request of Mr. Elliott Woods, Superintendent of United States Capitol Building and Grounds, to make an inspection of and report on the Maltby House, located at the northwest corner of New Jersey Avenue and B Streets NW., in accordance with a resolution of the United States Senate, I have the honor to report that Fire Marshal Sidney Bieber and I this day visited and inspected the said building and beg to submit herewith the following facts in connection thereto:

The building is of brick construction, five stories in height, with a basement and attic, the attic being formed by a mansard roof. There is a vast amount of wooden material to be found throughout the building; in fact, the roof, that is entirely of frame, is of open construction and would prove very hazardous should a fire occur in this building. The majority of the partitions dividing the rooms from one another are lathed and plastered, and the floors, as well as the stairway adjoining the elevator shaft, are of wooden construction.

There are no modern improvements against fire in this building; that is, no material was found that is termed "fire resisting."

Should a fire occur in the basement of this building the probability is that, unless the department was notified very soon thereafter, it would gain such headway as to do considerable damage before it could be extinguished, if extinguished at all until the entire building was consumed. Even after the department arrived on the scene the greatest precaution would have to be observed by it, for it would be very dangerous for firemen to enter, it being noticed during the inspection this day that the interior walls have settled to such an extent as to render them dangerous in case of fire.

We consider this building extremely hazardous in regard to the liability of fire therein, and we are of the opinion that, on account of the conditions mentioned, it is dangerous for the purpose for which it is used.

Very respectfully,

WM. T. BELT,  
Chief Engineer.  
SIDNEY RIEBER,  
Fire Marshal.

The honorable COMMISSIONERS OF THE DISTRICT OF COLUMBIA.

AREA OF FLOORS OF MALTBY HOUSE, 5,000 FEET EACH.	
Removing present basement and debris	\$650
Concrete addition to present footings, 300 yards, at \$8	2,400
555 yards of concrete paving	1,110
Furnishing and placing beams to support foundations	3,500
Excavation	1,200
Cost of work in basement	8,860
FLOORS ABOVE BASEMENT.	
128 tons 12-inch I beams, at \$50	6,400
100 tons columns and girders, at \$50	5,000
2,500 feet of floor arches and floors, cement or tile	12,500
Plumbing	4,500
Painting	2,500
10,000 yards plastering, at 40 cents	4,000
Millwork	5,500
Hardware	1,250
5 flights of stairs	4,500
Steam heat, using old plant	3,500
Fireproof partition, terra cotta or expanded metal	4,300
Removing and shoring up old work	5,500
Electric wiring and fixtures, approximate	6,500
Total	74,810
Cubic contents of building, 70 by 5,000, equal to 350,000 feet.	
350,000 cubic feet, at 21 cents, \$73,500.	

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado [Mr. THOMAS] as modified.

The amendment as modified was agreed to.

#### SOLDIERS' VOTE.

Mr. VARDAMAN. Mr. President, out of order I ask unanimous consent to insert in the RECORD a letter received by me from The Adjutant General of the Army concerning an order which has been issued by the War Department with reference to the soldiers' vote in primary elections and at the regular November elections. The order issued by the department is so widely at variance and in conflict with the laws of some of the States that it amounts to a prohibition of soldiers from voting or participating in those elections. Of course, I understand that the Army has a right to prohibit the soldier from exercising the rights of freemen if it interferes with discipline or with the regulations; but as to how the soldier shall cast his vote is a matter which is determined by the laws of the respective States, and if the War Department insists upon this order it means a nullification of the laws of some States.

I ask that this letter be read, or, in order not to take the time of the Senate, I ask that it be printed in the RECORD.

Mr. SMOOT. I should like to have it read.

Mr. VARDAMAN. Let it be read, Mr. President. I think Senators would like to hear it, and the country would like to be informed of the order that has been issued, to the end that matters may be put in shape in the different States so as to conform to the regulations of the War Department.

The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

WAR DEPARTMENT,  
THE ADJUTANT GENERAL'S OFFICE,  
Washington, April 27, 1918.

Hon. JAMES K. VARDAMAN,  
United States Senate.

DEAR SIR: In response to your request for information relative to the arrangements which have been made for taking the votes of soldiers at the various State elections I have the honor to inform you as follows:

It has been decided by the department that, so far as the soldiers stationed within the borders of the United States are concerned, their votes at either a primary or a general election may be taken by the several State governments without serious interference with military operations or with the training and discipline of the men. Pursuant to this decision the following order was issued to all commanding officers in the United States:

"Upon application by the secretary of state or other proper officer of a State government to the commanding officer of a department or division for permission to take and secure the vote of the officers and soldiers of said State serving in said command and within the borders of the United States for either a primary or general election of said State such commanding officer shall specify a place or places where all such officers and soldiers in such command may exercise their State franchise and shall allow the properly qualified election officers of such State the opportunity to secure the votes of its citizens in such command at the place or places so designated and at or during such specified period or periods of time, and conforming as near as may be to the request of said State officer in this respect as shall not interfere with military efficiency. The place or places so designated shall be in such proximity to each and all sections of the troops as will permit them, under the regulations prescribed, to make deposit of their several ballots. Such election officers shall be permitted, if they desire, to erect at said place or places such inclosure or inclosures as may be necessary for the conduct of such election, and at said place or places, but not elsewhere, to disseminate information and literature for the instruc-

tion of the voter as to the method to be pursued by him in the marking and casting of his ballot; but this latter privilege shall not be construed to permit the dissemination of information or literature calculated to influence the voter in the exercise of his franchise."

As to the soldiers in France or on other foreign soil in the theater of war, the department has reached the decision that their vote can not be taken without serious interference with military efficiency.

Very respectfully,

H. P. MCCAIN,  
The Adjutant General.

Mr. GALLINGER. Mr. President, that is an important matter. Already inquiries are coming to me concerning it, and I will ask the Senator from Mississippi if it might not be well to have that letter printed as a public document?

Mr. VARDAMAN. I shall be glad, if the Senator desires to distribute copies of it, to have that done.

Mr. GALLINGER. Then, Mr. President, I am going to move that it be printed as a public document.

Mr. VARDAMAN. I have requested the press to copy it and send it broadcast throughout the country, and I dare say that will be done.

Mr. GALLINGER. Mr. President, the Senator from Utah [Mr. SMOOT] sotto voce, suggests that he thinks the letter is in conflict with the laws of many of the States, and that we ought not to send it out. If that is so, I think probably I will not make the motion that I thought of making. If it is to stand, however, we ought to have the privilege of sending it to our constituents without writing long letters on the subject.

Mr. VARDAMAN. What is the objection of the Senator from Utah?

Mr. SMOOT. Mr. President, I think it is in direct conflict with the laws of a great many of the States; and if we make it a public document and send it out, then those who are interested in the subject, even though it be in conflict with the laws of the States, will feel that the Government has adopted it, and that that would be the practice of our Government.

Mr. VARDAMAN. But the advantage would be that the representatives of the different States will communicate with the Secretary of War, and the order will possibly be modified. Down in Mississippi, for instance, the manner of taking the vote is by a written ballot. The ballot is sent to the soldier, and the soldier votes and signs his name to it. I do not think there is any purpose on the part of the War Department to prevent the orderly execution of the laws of the States; and if that letter were distributed over the country, the probabilities are that the matter would be taken up by the people of the different States.

Mr. SMOOT. Mr. President, I hope the Senator will not think that I have reference to any ulterior motive on the part of the Government in having this order issued.

Mr. VARDAMAN. Oh, I understand.

Mr. SMOOT. But I do know that it conflicts with the laws of many of the States. I think if it were made a public document and sent broadcast all over the United States perhaps many of the people of the States would take it for granted that that was going to be the law and that every soldier from those States would only have to comply with the order of the War Department.

Mr. VARDAMAN. The Senator understands that if the vote is not taken in accordance with the State law the vote will not be counted.

Mr. SMOOT. That is exactly what I know.

Mr. VARDAMAN. The purpose of disseminating that information is for the purpose of seeing that the soldier shall be given an opportunity to vote.

Mr. SMOOT. Yes. The Senator from Mississippi has exactly the same idea that I have. I do not want the voters of the States to get the idea that this order supersedes the law of the States, and that they may rely upon it, for if that were done when the time came for counting the votes of the soldiers from those States they would fail, and I do not want that to happen.

Mr. VARDAMAN. Would the Senator object to having the letter printed as a public document?

Mr. SMOOT. No; if the Senator, after that explanation, feels that it ought to be printed as a public document, well and good; but I do believe it ought to be called to the attention of the governor of every State by the War Department issuing this order, and then let the governor of each State call the attention of the War Department to the fact that it conflicts with the laws of those States.

Mr. SWANSON. Mr. President, if this matter is going to precipitate any further debate, as I am anxious to finish this bill to-night, I shall have to object to its consideration.

Mr. GALLINGER. I will not make the motion, Mr. President.

Mr. VARDAMAN. All right; let it go.

Mr. GALLINGER. Later on, perhaps, we will take it up and discuss it.



## HOUSING OF GOVERNMENT EMPLOYEES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10265) to authorize the Secretary of Labor to provide housing, local transportation, and other community facilities for war needs.

The VICE PRESIDENT. The bill is in Committee of the Whole and open to further amendment. If there be no further amendment to be proposed the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill to authorize the President to provide housing for war needs."

Mr. SWANSON. I move that the Senate request a conference with the House of Representatives on the bill and amendments, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. SWANSON, Mr. REED, and Mr. CURTIS conferees on the part of the Senate.

## SEDITIONOUS ACTS AND UTTERANCES—CONFERENCE REPORT.

Mr. OVERMAN. I ask unanimous consent that the Senate proceed to the consideration of the conference report on what is known as the espionage bill.

Mr. SMOOT. Mr. President, do I understand that the Senator simply wants to take up the report in order to make it the unfinished business?

Mr. OVERMAN. Yes. It is the conference report on the bill known as the espionage bill, House bill 8753.

The VICE PRESIDENT. The Senator from North Carolina asks unanimous consent that the Senate proceed to the consideration of the conference report indicated by him.

There being no objection, the Senate proceeded to consider the report of the committee of conference upon the disagreeing votes of the two Houses on the bill (H. R. 8753) to amend section 3, title 1, of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917.

Mr. OVERMAN. Mr. President, I understand that the Senator from Georgia [Mr. HARDWICK] desires to speak on this bill.

Mr. SMOOT. Not to-night, I hope.

## BUSINESS OF THE SESSION.

Mr. GALLINGER. Mr. President, somewhat representing the minority of the Senate, I am going to indulge in an observation, and, of course, it will be treated for what it is worth.

We have passed a great number of bills at this session of the Congress. We have been diligent in our work. We have laid aside all our prejudices of a political nature, and have co-operated, the minority with the majority, to facilitate the work of the session. Of course, we can not tell what may be presented to us for consideration in the future, but it seems to me that we are entitled now to hasten the work of the session to the utmost extent of our power. I think we ought to stay here a reasonable number of hours each day, and, if need be, we ought to have some night sessions a little later on, with a view of getting through the work of this session not later than the 10th day of July, so that we may have an opportunity to refresh ourselves at our homes and attend to our affairs in addition to our duties here.

I presume the Senator from North Carolina [Mr. OVERMAN], who has had charge of these great war measures, can not definitely state what we may expect to have presented to us in the matter of additional legislation along that line, and yet, as I understand, there is at the present time no great measure pending.

Mr. OVERMAN. Mr. President, not before the Judiciary Committee, which has had these bills, such as the espionage bill, the sabotage bill, and what is known as the Overman bill. They are all out of the way except the espionage bill, and I hope we will get it through to-morrow. I want to say to the Senator from New Hampshire that I agree with him that we ought to hasten this legislation, in order that we may get away possibly by the 1st of July, and I do not see any reason why we should not.

Mr. GALLINGER. Of course, I am quite aware of the fact—in fact, it goes without saying—that no Member of this body can speak for the other House; but we know the facility with

which the other House can dispose of legislation when they choose to do so. Most of the great appropriation bills, or a portion of them, are yet to come to the Senate. The naval appropriation bill is here, and I apprehend it will be taken up by the committee promptly, and the other appropriation bills will be coming along. We know with what facility our friend, the distinguished senior Senator from Virginia [Mr. MARTIN], disposes of these matters. For that reason, and other reasons that I will not stop to state, I simply want to say that I know the minority of the Senate will be glad to cooperate in any reasonable effort to bring this session to a close at a reasonable date.

I trust that it will not be considered intrusive on my part to make the suggestion I have made, because I feel that we are capable of wasting a great deal of time unless we have some purpose in view that perhaps appeals to us as individuals and appeals to the body collectively.

Mr. OVERMAN. Mr. President, I am glad the Senator has made the remarks that he has. I know myself of no great measures that are to come before Congress other than the appropriation bills, so far as I am informed. The Post Office appropriation bill is here now, and probably will be taken up as soon as this bill is disposed of.

Mr. GALLINGER. Yes; I omitted to mention that.

Mr. OVERMAN. And the legislative bill is in conference. The Navy bill and the Army bill, I suppose, will be over here shortly, and why we can not get away in July I do not know. I should like to go on with this bill and consider it for an hour or so this afternoon. If there is any objection, however, of course I want to accommodate myself to the convenience of the Senate. We have been here for a long time.

Mr. GALLINGER. Then I will suggest that I think it would be better if the Senator would put the Senate on notice that the conference report will be pressed to-morrow morning.

Mr. OVERMAN. With that understanding, that it will be pressed to-morrow morning as the unfinished business, I move that the Senate proceed to the consideration of executive business.

Mr. VARDAMAN. Mr. President, I want to ask the Senator from New Hampshire if he will not amend his program by making it July 1?

Mr. GALLINGER. That would suit me better. I added the 10 days simply as a matter of safety.

Mr. SMOOT. Mr. President, unless there is some legislation that will be reported to the Congress that is not now thought of, I can not see but that Congress can easily get through its work by July 1.

I have been looking over the appropriation bills, and I find that the only appropriation bills yet to be passed by the House are the fortifications bill, the pensions bill, the Army bill, and the public-buildings bill, if there is to be one this year. I do not believe it will take the Senate a day to pass the naval appropriation bill. It will take about 15 minutes to pass the pension appropriation bill. I do not think it will take two hours to pass the fortifications bill. Unquestionably there will be no trouble in passing the appropriation bills between now and July 1; and unless there is really some more legislation that is going to be demanded of Congress that we know nothing of, I can not see why we should not get away from here before the 1st of July.

Another thing in that connection, Mr. President. I think that five hours is plenty for the Members of the Senate to be in this Chamber during any day. That applies particularly, Mr. President, to those Senators who spend their time in the Senate from the time the session begins until the Senate recesses or adjourns; and I think that just as much work can be accomplished, if we will attend to the work, within five hours as if we try to hold long sessions one day and then have nothing particularly to do the next day.

Mr. OVERMAN. I move that the Senate take a recess until 12 o'clock to-morrow.

Mr. GALLINGER. Mr. President, I hope the Senator will move to take an adjournment instead of a recess.

Mr. OVERMAN. Mr. President, I always like to oblige my dear, good friend the Senator from New Hampshire; but during the pendency of what is known as the Overman bill I had three or four adjournments, and the morning hour was taken up by speeches. I am going to move to take an adjournment to-day, but I give notice that after the morning hour to-morrow I shall move to take up this conference report.

I now move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 55 minutes p. m., Wednesday, May 1, 1918) the Senate adjourned until to-morrow, Thursday, May 2, 1918, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES.

WEDNESDAY, May 1, 1918.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in Heaven, whose blessings are new every morning and fresh every evening, canst Thou look down from Thy throne of grace upon this sin-stricken world and be still? Judge Thou, we pray Thee, between the enemies of free men who have precipitated a world-wide war on the lovers of peace and compel them to fight for peace. Encourage us by the words of Holy Writ: The race is not to the swift nor the battle to the strong. "A thousand times the vanquished, right, hath risen glorified" because of Thy strong right arm, because of Thy love of right. Be with us, we beseech Thee, with the power of Thy might and make us valiant in this hour of peril and give to us the victory for an everlasting peace, and pæans of praise we will ever give to Thee, for Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MINERALS AND METALS FOR WAR PURPOSES.

Mr. FOSTER. Mr. Speaker, in eliminating a section of the bill H. R. 11259, it throws out of joint the reference to sections, and I ask unanimous consent that the enrolling clerk be empowered to change the numbers to conform with the facts.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the enrolling clerk be empowered to arrange the reference to sections in the bill H. R. 11259 to conform to the facts. Is there objection?

There was no objection.

## MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4410. An act to amend an act entitled "An act to provide, in the interest of public health, comfort, morals, and safety, for the discontinuance of the use as dwellings of buildings situated in the alleys of the District of Columbia," approved September 25, 1914.

The message also announced that the Senate had passed without amendment the bill (H. R. 10613) to provide for the collection and disposal of garbage and miscellaneous refuse of the District of Columbia.

## APPROPRIATION FOR EXPENSES, HOUSE OF REPRESENTATIVES.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent for the present consideration of the House joint resolution which I send to the desk, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Kentucky asks unanimous consent for the present consideration of a House joint resolution, which the Clerk will report, and he asks unanimous consent to consider it in the House as in Committee of the Whole.

The Clerk read as follows:

House joint resolution (H. J. Res. 284) making an appropriation for contingent expenses of the House of Representatives.

Resolved, etc., That the following sum is appropriated out of any money in the Treasury not otherwise appropriated:

## HOUSE OF REPRESENTATIVES.

For miscellaneous items and expenses of special and select committees, exclusive of salaries and labor, unless specifically ordered by the House of Representatives, fiscal year 1918, \$40,000.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

## REGISTRATION FOR MILITARY SERVICE.

Mr. DENT. Mr. Speaker, I call up Senate joint resolution 124 and move that the House further insist on its amendments and agree to the conference asked for by the Senate. That is the 21-year-old bill.

The SPEAKER. The Clerk will report the title.

The Clerk read as follows:

Joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms

of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

The SPEAKER. The gentleman from Alabama asks unanimous consent to take the Senate joint resolution 124 from the Speaker's table, insist on the House amendments, and agree to the conference asked for by the Senate.

Mr. CANNON. Mr. Speaker, I would like to ask the gentleman from Alabama if the gentleman does not want any further consideration of the bill.

Mr. DENT. That is all—that the House insists on its amendment.

Mr. CANNON. In the opinion of the gentleman no other motion is desirable at this time to be considered by the House.

Mr. DENT. I do not think so.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. DENT, Mr. FIELDS, and Mr. KAHN.

## AUTHORITY TO PRESIDENT TO SELL WAR SUPPLIES—CONFERENCE REPORT.

Mr. DENT. Mr. Speaker, I ask to call up the bill S. 3803, authorizing the President to sell war supplies, and move the adoption of the conference report.

The SPEAKER. The Clerk will report the title.

The Clerk read as follows:

An act (S. 3803) authorizing the President during the existing emergency to sell supplies, materials, equipment, or other property, heretofore or hereafter purchased, acquired, or manufactured by the United States, in connection with, or incidental to, the prosecution of the war.

The SPEAKER. The Clerk will read the report.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3803) authorizing the President during the existing emergency to sell supplies, materials, equipment, or other property, heretofore or hereafter purchased, acquired, or manufactured by the United States, in connection with, or incidental to, the prosecution of the war, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same.

S. H. DENT, JR.,

W. J. FIELDS,

JULIUS KAHN,

Managers on the part of the House.

GEO. E. CHAMBERLAIN,

G. M. HITCHCOCK,

F. E. WARREN,

Managers on the part of the Senate.

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 3803, authorizing the President during the existing emergency to sell supplies, materials, equipment, or other property, heretofore or hereafter purchased, acquired, or manufactured by the United States, in connection with, or incidental to, the prosecution of the war, submit the following written statement explaining the effect of the action agreed on:

The difference between the two Houses consists in the fact that the Senate bill provided that the proceeds of the sale authorized in the bill should be used by each department or bureau whose products were sold, whereas the House insisted that the proceeds should be covered into the Treasury. The Senate accepted the House amendment.

S. H. DENT, JR.,

W. F. FIELDS,

JULIUS KAHN,

Managers on the part of the House.

The conference report was agreed to.

## DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. Sisson. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11692, the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. GARNER in the chair.



The CHAIRMAN. The Clerk will report the bill by title. The Clerk read the title of the bill.

Mr. Sisson. Mr. Chairman, I will ask the gentleman from Minnesota to use some of his time now.

Mr. DAVIS. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. Mason].

Mr. MASON. Mr. Chairman, the beginning of my controversy with the gentleman from Alabama [Mr. HEFLIN] was occasioned by his speech in my absence in Chicago, while I was addressing patriotic meetings, supporting the administration, and the enforcement of the laws of this country, in which he charged me with making pro-German statements and disloyal conduct. Returning, through a mutual friend, I asked him in a letter to correct his statements, as I believed that he had been misinformed, and also to correct the statement he made in regard to the legislation which I had tendered. You will remember that that letter was read in my first reply. You will remember that he declined to make a correction of the Record, but insisted on leaving the statements as they were. I do not apologize to the House for taking this time in replying to his last speech, for, as I stated yesterday, if he would correct the Record in places where he had misquoted my last speech on Alsace-Lorraine, I would gladly accept any terms whereby this controversy might end. I gave notice that I would continue to resent any insulting insinuations reflecting upon my Americanism, from whatever source it might come, and I propose to keep my promise. Now, that same man on April the 23d has again assumed the position of censor, and insinuates that I am not as good an American as he is, and as he assumes in his speeches to tell the Republicans of Illinois what to do in my case, and has notified me that he will come to Chicago to take care of my case, I claim the privilege not only of replying to his insinuating remarks but to place before the people of my State something of the record of this self-appointed censor in order that my people may know just who he is and what he is. He complains that I made my speech of April the 7th in his absence. I did that, and will do it again under the same circumstances, for with that bravery that is characteristic of cowardice he made his insulting speech in regard to me late in the afternoon of the 6th, when, as shown by the statement of the gentleman who spoke for him, he knew he was going away that night and that it was impossible for me to get the floor until the next day. If he had the least conception of legislative courtesy, this would not have happened. He had a month to reply to my speech. I was ready to reply to him the minute he closed, and as soon as I found I could get the floor the next morning, from the Republican cloakroom I notified his office that I would reply to him, and I did not know that he had left the city until after I had taken the floor. I wish my people to know another evidence of his bravery and honesty.

The speech he made, which was sent broadcast over the United States, insulting me in reflecting on my Americanism, was made three weeks ago, and he waited 21 days before printing it in the Record. When he comes to Illinois to tell our people what to do—and I hope it is a promise and not a threat—he will be most heartily welcomed; but as I know something of the wisdom of the Democratic committee in Illinois, he will have to hire a hall on his own account if he comes. [Laughter.]

I wish the people to know also, when he comes to our State to run the politics of Illinois, that this is the same gentleman who in the last Congress was forced by a committee to print what did happen in place of what he said happened. I was not then a Member, but in his colloquy with our colleague, Mr. RAGSDALE, he deliberately shifted the word "applause" so as to help him and to injure Mr. RAGSDALE. He corrected this only when confronted by the statement of the Official Reporter, and was compelled by the committee appointed by this House to let the Record be printed showing the alterations he had made overnight. He did this to help himself politically. If there had been money or other things of value involved, it would have been a crime. When he comes to Illinois to bellow about his patriotism and my lack of it, I want the people to know that he is the man who assisted the Kaiser by intimating that his colleagues in that Congress had been influenced by the Bernstorff fund, which was not only false and slanderous to his colleagues and not only encouraged the Kaiser but discouraged the American people, who did not believe that that Congress was for sale. When before the committee for these charges he crawled, denied the statement as to the gambling house, although two or more reputable reporters testified that he did make the statement.

Mr. HEFLIN rose.

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Alabama?

Mr. MASON. I shall not yield for a question.

Mr. HEFLIN. I make the point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HEFLIN. I merely want to state, Mr. Chairman, that I am not going to interrupt—

The CHAIRMAN. What is the point of order that the gentleman desires to make?

Mr. HEFLIN. The point of order is that the gentleman said—

The CHAIRMAN. If the gentleman desires to make a point of order, he should state it. The gentleman from Illinois has declined to yield.

Mr. HEFLIN. I am doing my best to tell the Chair what I am going to make the point of order about.

The CHAIRMAN. The gentleman will state it.

Mr. HEFLIN. The gentleman was making a statement that I had slandered Members of the House, and my point of order is that under the rules you can not charge those things, but I shall not interrupt—

The CHAIRMAN. Does the gentleman desire these words taken down?

Mr. HEFLIN. I just want to ask the Republican side not to bother me when I come to reply.

The CHAIRMAN. The gentleman does not state a point of order.

Mr. MASON. Driven into a corner, he finally said he "suspected"—he, the magnificent, self-appointed Pecksniff—suspected 12 or 14 of his colleagues in that Congress. He admitted that he had no evidence against them, and declining to give any evidence except his own foul suspicion he appeared before the investigating committee, within two days of the close of the session, and when threatened with expulsion he said before the committee: "Do you think the Commander in Chief of the Army and Navy would permit you to humiliate me?" [Laughter.] Brave boy, who soaks you with a snowball and then runs into the schoolhouse. Brave boy, who challenges you for a scrap, and the first time he gets a punch in the face halloo for the teacher. It was near the close of the session; the committee reported unanimously that his conduct deserved censure. He expected a vote on expulsion, and long after Congress had adjourned, and the Members gone home, he exercised his privilege by printing in the Record pages of newspaper articles which he adopted as a part of his remarks, one of which referred to the remarkable scandal which he had theretofore stated he knew nothing about. But seeking to gather a little cheap politics for himself and to scandalize his colleagues, he relished the whole thing, as if his charges against his colleagues were true and that he had reasons for suspicions, and that he would name the 14 suspects, which up to this time he has never had the clear grit to do.

As to the Age-Herald and his suggestion that I was in some sort of conspiracy with that paper and with the Senator who is running to succeed himself from Alabama, in answer to that I will simply say that the editorial was handed to me by my Republican colleague. I did not know of the second editorial. He says he wrote, "HEFLIN holds House rapt," but paid for sending it. "O Modesty, thy first name is Thomas." My charge that he is playing cheap politics is supported by the fact that he does not deny that he wrote the startling headline of his speech, "HEFLIN holds the House rapt." When you stop to consider that "rapt" means "transport, ecstasy" it will hardly be necessary to raise the veracity of that report, nor is it really necessary to discuss the question of whether he was moved to write these glaring headlines of his own eloquence by patriotism or paresis. [Laughter.]

I did not know at the time I made that speech that he was possessed of enough gall to announce himself for United States Senator for the State of Alabama. So I could not have been in any conspiracy to injure him in his politics, while he stated that he had never had any opposition, and the statement that he is playing cheap politics is borne out by the fact that his speech assailing me, a Republican, in order to build himself up among the Democrats, was so that he could say to his constituents, "I have not only done my best to kill a negro in Washington, but, like the knights of old, I have walked down the Halls of Congress and flung my shining lance full and free at an old fellow, who is a Yankee Republican." He will say to them that he has got all his colleagues scared, and even has defied the Democratic leader, and given notice that the Speaker was not fair. He will say, "I have got everybody locoed and scared to death in Congress, except one Illinois Republican, and I am going after him." When he is abusing me to make votes for himself, will not some one of your fair men down in Alabama tell him that when I was a boy, standing guard at night and nursing the wounded in the daytime, I had all the prejudices of our side that you had on your side, but after I had lived in the big, broad city of Chicago

and traveled in politics a few years and came to this House 32 years ago and served with great Democrats like Sam Randall, Carlisle, Crisp of Georgia, and of scores of others that I can not name, I had a broader vision of what my country meant.

Once in Paris, in a theater, I was lonesome, could not understand the language; but when the band struck up the tune of "Dixie" my hands burned in starting the applause.

I knew that I had gotten over my sectionalism and that "Dixie" was as much my land as yours. [Applause.] And I want to say to you that when he seeks to prejudice you against me on account of that you may remember that when an effort was made to erect a monument to the Confederate dead in Chicago, the first northern city that ever did that, I defended it here and received the abuse of small men, as I am receiving it to-day, because I thought that was a patriotic thing to do. I contributed in my small way, and Chicago unveiled the first monument, and the Grand Army of the Republic stood back of me and with me—the men who fought the men in gray. I just simply want you to know that while I am a Republican, and I have defended the economic principles of that party all of my life and expect to do it until I die, yet I never have appealed for the past 25 years at least to sectionalism to support either myself or the principles of my party. [Applause.] I did say that he was doing cheap politics, but at that time I did not realize how cheap it was—I did not realize how cheap it was until from his district and from his State they sent me his announcement as a candidate for the Senatorship, and the cheapness consists in the fact that it is an unfrankable communication, in my opinion, and he is sending it out at Government expense! That is what I call real cheap politics. [Laughter.] I am not going to read it all, and I shall not put it into the Record, for then he would be justified in mailing it by the tons. On March 9 he says:

DEAR SIR: I am being urged by my people in every section of the State to become a candidate for the Senate.

[Laughter.]

I hope gentlemen will not laugh. It is one of those serious things—to Alabama. [Laughter.]

And all I wish to say about that is, Mr. Chairman, that I did not know that when I charged him with cheap politics. I say now that there is not a thing in that letter that makes it frankable, and there is no other gentleman upon the floor of this House who sends out political announcements, and sends them out at the expense of his Government, by simply inserting at the bottom an extract from the CONGRESSIONAL RECORD from Senator SIMMONS, who comments, not unfairly, but who comments upon the amendment known as the Bankhead amendment. Now, I suggest to you gentlemen, any of you who want to avoid payment of your just taxes to the Government we love, and we all love our Government, if you want to avoid paying your political postage, I suggest a letter like this:

DEAR BOB: I am going to run for reelection, and I want you to see Dick and tell him to look after the fourth ward, and tell Harry to look after the floating vote, and get Bill to keep after the lawsuit and get it settled. Mary and the children are all well. Love to all the boys.

Yours,

JIM.

P. S. The following is from the CONGRESSIONAL RECORD of April 16, 1918: "HEFLIN holds House rap."

[Applause.]

He said here the other day, and I have no doubt it is true, that he is willing to die for his country; but, brother, do not die, but live long enough to fix up this little postage account with your Uncle Sam. One of my colleagues suggested that for his campaign he have some pictures painted of himself, holding in his right hand the American flag and his left hand in Uncle Sam's pocket looking for postage stamps. [Laughter and applause on the Republican side.] I remember the day, on the 5th of April, 1917, when the Democratic leader of the House, Mr. KITCHIN, had been pointed out to me, and when this great censor said that he "regretted" to say some things, and then, after lecturing the leader, said that he ought to resign as a Member of the House, and he looked so pretty, and sounded so patriotic, and spoke with such authority I inquired of one of my colleagues who he was, and whether he was the leader over there; and he smiled and said, "That is HEFLIN; he thinks he is the Government." But he says he is only dealing with me on account of my speeches here, and yet he closes his dodging and insulting arguments "that I am a walking advertisement for nuxated iron." He puts it in the Record, thereby making it a free advertisement hereafter. [Laughter.] His was a high and lofty purpose. I want to state to you that I wrote the letter that was used as an advertisement. I am not apologizing or explaining or justifying the question of taste, but I wrote it; but to use the language of Sir Walter Raleigh, "I did not dream that so frail a note would attract attention of the 'gun totter' from Alabama."

I quit lying a good many years ago, not only on account of its immorality but it is such a strain on the memory. [Laughter and applause.] I heard Willie Collier a few nights ago in "Tell the Truth." I am determined to stick to it. I wrote the letter, I told the truth about that particular remedy. I wish I could find words in parliamentary language to tell the truth about one particular Member of this body—I mention no names.

But our brave and distinguished friend says in a trembling voice that he tendered his services to the President the day after war was declared. I can see him walking up Pennsylvania Avenue, walking in the center of the street to maintain the equilibrium of the street and in the interest of the passers-by on the sidewalk, and knocking at the White House door, and the conversation was probably something like this:

"THE PRESIDENT. What can I do for you?"

This is an imaginary conversation, and see if it is borne out by the record—

"I want to be a soldier and with the soldiers stand.

A safety pin upon my shoulder and a six-gun in my hand"—

For you know he is given to poetry at times, at least he thinks it is poetry. And the President says:

"Why, how did you dodge the recruiting officers down here? There are three or four between here and your place. I suppose you come of fighting stock?" "Yes, sir." "Your forefathers were in the Confederate Army?" "No, sir; they were not." "I understand you made a fine record in the Spanish War?" "Oh, no, Mr. President; there was no draft in that war." [Laughter on the Republican side.] "If I had volunteered there would have been nobody here to protect you against this wicked Congress." "Well, brother, they tell me there are three or four Republicans who are going to enlist in Congress and I suppose they can tell you how to get in. Were you down on the Mexican border in that scrap?" "Oh, no; I was busy." "You were busy?" "Yes." "You were for it?" "Yes; I am for every scrap I can keep out of." Now, I want you gentlemen to know I did not bring this into the Record, I did not bring into the Record the question of his fortune or misfortune in having shot somebody in Washington. I did not bring it in here. He brought it in; but I say the President might have said to him very naturally, "Are you the man who shot at a black man and hit a white man?" And he would say, "Yes." That is what he told us here the other day, and the President would naturally say, "I do not think you will do, brother. If I sent you out with a long-range gun and directed you to blow up Berlin you would hit Tokyo." [Laughter and applause on the Republican side.] The gentleman says, striking an attitude here, "I have no newspaper in Alabama, but I have the ear of the people of Alabama." If Alabama has a friend here, please telegraph that grand old Commonwealth—that has given us men like Morgan, Pettis, Fighting Joe Wheeler—please telegraph Alabama that HEFLIN has their ear, and they had better get it back or it may go where Uncle Sam's postage has gone.

Mr. Chairman, when I mention cheap politics I consider that rather cheap. Mr. Chairman, I called his attention to the fact that I had not mentioned that shooting scrape down on Pennsylvania Avenue. I did not mention it, although I knew about it. I have examined the court record, and I find that he was indicted or arrested way back in 1908, held to await the action of the grand jury, and the indictments were carried along some eight years—August, 1916—up to and after the last Democratic national convention those cases were not-prossed—at least one was. I do not know the facts about this matter, and I am not competent to pass on it, but when he stands here and brings it in for the purpose of making political capital in Alabama, and says that he did it in defense of a white woman who was being insulted by a negro, I have only, Mr. Chairman, to say this: If that is a fact, a jury in the District of Columbia would have acquitted him in 24 hours. It was not necessary to continue the cases for eight years before they were not-prossed. [Applause on the Republican side.]

Now, I want to say this: I did not intend to mention it. He brought it in. I am accommodating him by giving him the benefit of that in his State for politics. I consider it rather small politics. But when he comes to Chicago to tell the people of my State what to do with me, as he threatens to do, the law-abiding citizens there may inquire why he had to "tote" a gun in the dangerous days of 1908, and I will explain to them, so that he will not be embarrassed. Washington in those days was in a dangerous state, as school children were likely to snowball you at any moment. Twice I have been snowballed by the children of the people of Washington. [Laughter.] And you go into many houses and you will pass a great big globe of goldfish, and they are liable to snap your arm off at any



time. [Laughter.] And over here in our great office building, when we open our desks, we are liable to meet at any moment the flashing eye and open mouth of a bull cockroach. [Laughter.]

He suggested he was willing to meet me. I do not know in what sort of an encounter, but if it is a matter of physical encounter I will have to decline. I am not a fighting man. When it comes to either pugilism or beauty, I am not in his class. I learned some years after I was 60 years of age my physical limitations, and if the gentleman had some honest friend to inform him as to his intellectual limitations he might be persuaded to let up on his perpetual lecture tour. He speaks truly of his own beauty; that is, he thinks he is a beauty. Some day he may be disillusionized. In the beauty market I could not hope to compete with him. I realize that it is the peacock that is the beautiful bird, but it takes a stork to deliver the goods. [Applause and laughter.]

In regard to the speech I made on Alsace-Lorraine, he has deliberately garbled it and misconstrued it. The President of the United States, within a few days after that speech, delivered his last great message to Congress and abandoned by "omission" the idea that the return of Alsace-Lorraine was an American demand as terms of peace. And when Mr. HEFLIN assails me on that question he assails the President of the United States. More than that, it is an assault upon the intelligence of all who sit in this Chamber. I said repeatedly in that speech that we would not stop a moment in our preparations for war; that we would not abandon our league of honor. I defended the administration against the assault of persons in his own party. I submitted my suggestions "not in criticism, but in a friendly spirit of humility." It was so received by every Member of the House except Mr. HEFLIN, and his speech showed clearly that he has not the brains to comprehend the question discussed, or he has deliberately and willfully misstated my position as a part of his cheap political game.

I quote to you now exactly what I said, to show you how in his speech, that has been sent all over my State in the newspapers, he makes me say exactly what I did not say, as if he had struck out the word "not" and made an affirmative instead of a negative statement. You know the delicacy of the situation. Why discuss it? This is what I said:

We must not stop or hold up one bit in our preparations in the prosecution of this war and it would be barbarism to refuse to discuss peace. We will not abandon one moment the league of honor in which we, with our coworkers, fight the Imperial Government of Germany.

Now, this is what Mr. HEFLIN says I said, and to make it worse he puts it in quotations as coming from me:

"The gentleman from Illinois," quoting from his speech, "endeavors to halt your forces. It is barbarous not to stop and discuss peace terms. Let us stop and parley with him."

That is exactly what I did not say. How long am I to be silent? And how long will you stand conduct of this kind from gentlemen who will deliberately change the substance of what you have said and put it in the Record, and then, by reason of the fact that some unfriendly newspaper in a State is willing to print it, convey a wrong impression? I will be glad to discuss that question with him at any time, but the hour for discussion of that is past. The President in his statement omitted any such demand as a part of the American policy.

The gentleman from Alabama boasted that by reason of nagging he has compelled me to change the tone of my speech. He thinks I wish to submit to his canary-bird intelligence my thoughts before telling them to my colleagues. I voted against the declaration of war in obedience to my sense of duty, and I am surprised that any man can get into Congress who can not appreciate the point of view and vision of a man who willingly surrenders his judgment in the cause of his country. We go into political conventions, and when defeated we surrender and follow out the wishes of the party. We ought to be big enough when we are in this Congress to express our honest convictions, as I try to do, and when the Congress voted me down and voted in favor, I have stood for the enforcement of the laws, and I have surrendered my private opinion under the dictates of my conscience and in the performance of my duty. [Applause.] And why should I not? My forefathers have fought in every war for this country, and no man of my blood has ever fired on this flag.

And you will pardon me if, before I sit down—

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS. I yield to the gentleman five minutes more.

Mr. MASON. I say that I dislike to put these things again in the Record, and I do it not wholly as a matter of self-defense, but in justice to the people of my State who sent me here. I have voted my conscience. I was against conscription, but when the conscription law was passed, at every place, public or private, I have stood for the enforcement of the law, because it was a law of my country, and yet this gentleman tries to

make it appear in his speech that I was trying to hinder the early sending of troops over there, when there is not any justification for any such charge. In every place where I have been called upon—and, I say, I hope you will forgive me for again putting it in the Record, but I am doing it for my own people, who do not know the man who made this assault upon me—I gave willingly and I sent the only son left at home. He did not go to the White House; he did not telegraph me to get him a commission. He enlisted as a private soldier, within 10 blocks of where he was born, and with my consent and his family's consent. He is not afraid of bullets. [Applause.] I do not know why his dad should be afraid of bullies. [Applause.] I am not. I would be an unworthy sire of an American soldier if I were. I have my views about the American flag. It should be worn in the heart and not in the mouth, and this great flag of ours, that has made the world anew and will continue to keep it so, should be to all Americans a heart stimulant and not a mouth wash. [Laughter.] It should be my flag as much as his. I am willing to make any sacrifice, and I shall resent, as I have here, in public or private, at a funeral or a feast, the charges of anyone who reflects upon my Americanism or charges me with disloyalty to the country that my fathers fought for and that my son is now fighting for. [Loud applause.]

The CHAIRMAN. The gentleman from Mississippi [Mr. Sisson] is recognized.

Mr. Sisson. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. HEFLIN].

The CHAIRMAN. The gentleman from Alabama is recognized for 30 minutes.

Mr. HEFLIN. Mr. Chairman and gentlemen of the House, I do not intend that this case shall be switched off onto vermin and nuxated iron or made into a nuxated-iron cross which has been conferred, according to Collier's Weekly, upon the gentleman from Illinois [Mr. Mason]. I have nothing personal in this matter at all, Mr. Chairman.

The gentleman refers here to my statement last fall that there were 13 or 14 men in Congress whose conduct had been suspicious. That was true. I asked permission upon this floor three times to name them. There were some Democrats among them as well as Republicans. I want to say, though, that there are more than 400 men in this body who have never said or done one thing since war was declared that was not in keeping with the highest and best interests of the country; and when I am taken to task by the gentleman from Illinois for criticizing a speech that he made here February 7, I am representing you, patriotic Republicans, and you, patriotic Democrats. Should I permit that speech to go unchallenged when I heard part of it—he extended his remarks in the Record as to the other part, and I read it afterwards. I submitted it to others to see if they got the same impression that I did, and they all said it was wrong and ought to be answered. Mr. Chairman, I made up my mind when I came back here, when Congress reconvened in December, to let that old matter drop; to say nothing about the letters that I had received from the districts of these gentlemen; nothing about the comment of papers published in their own States. I decided to close it up, and I told my friends I had, and they said I was right. But I said, "If any one of them starts a new attack, I am going to answer him."

The gentleman from Illinois, in a speech here in February, was the first one to make such an attack. In his speech here to-day he complains among other things that I misquoted him. The quotations that he mentions here purporting to have come from me, with quotation marks around them, were not placed there by me. I was speaking in the usual way of debate, and said the gentleman said, "Hold your forces; let us discuss peace." I did not say that he said that literally, although that was the meaning of his suggestion.

Now, the gentleman speaks of writing me a letter on a former occasion, that if I did not correct certain things he was going to take me to task, and that he had done so. That was before Congress had adjourned, and I decided to let all of those things go. He says now that I have assumed the position of censor. No more than any other patriotic Member of this House. I think it is my duty to criticize the conduct that I believe does not represent my country correctly now and before the bar of posterity, and when I single out a speech that I am going to bring to your attention later that the gentleman makes upon this floor which I believe is extremely detrimental, injurious, and one which misrepresents my country's position in this war I am entitled to have the support of every patriotic Republican on that side. I regretted the other day that the gentleman from Pennsylvania [Mr. Moore] heckled me and did all in his power to keep me from discussing that speech and telling just what it was that the gentleman from Illinois had said. I re-

gretted also that the gentleman from New York [Mr. SNYDER] objected to giving me time to discuss that speech which had attacked my country and misrepresented its position in the war with Germany. I regretted to find that there was anyone on that side that would do that. I know that there are a few of them. Gentlemen, I say again in your presence that the great body of you are as loyal and as patriotic as I am or as anybody on this side. [Applause.] And I will say more than that, the Republican Illinois delegation in this House will not indorse that speech. Foss, of Illinois, will not indorse it. McKINLEY and McKENZIE and CANNON will not indorse it. I challenge him to write and present to them a statement saying, "We, the undersigned Members of the delegation from Illinois, indorse these sentiments and statements contained in that speech." I challenge him to do that. I challenge him to get the Republican side, as many as one-fifth of your number, to indorse it, and then talk to me about undertaking to play politics!

The gentleman suggests that a portion of my speech was sent to Illinois. I never sent it, although he sent his gas attack upon me in this House during my absence—a product or result of nuxated iron. [Applause.] That was sent, the entire speech, down to Alabama to the Age-Herald; a little Alabama politics, by way of Illinois. [Laughter.] God of our fathers, what are we coming to in Alabama? [Laughter.] The paper said that the Republican membership, supplemented by a few Democrats, instructed the Clerk of the House to send it down and have it printed, prepaid. I find upon investigation that no Democrat had anything to do with it, but if anyone did he belongs to that list of 13 or 14 that I had in mind last fall. [Laughter.] No loyal Democrat had anything to do with it, and no loyal Republican had anything to do with it. I can name them by the score that never had a thing to do with it. Why did they want to put that on the Republican Party? Then, I asked the Clerk of the House, "Did the Republican membership and a few Democrats ask you to send it?" He said, "No; I never heard of such a thing."

So you see none of this thing ever happened. The gentleman from Illinois [Mr. MASON] said in his speech that cruel Democrats bought that speech that I am criticizing by the thousands. I find upon investigation that no Democrat had a single copy of it printed, and no Republican—no Member but himself—had copies printed, so the RECORD clerk informs me. Now, then, somebody has been careless with the facts of this situation or is just straying off after a little dose of nuxated iron. [Laughter.]

Now, I am not going to take up my time in going into the immaterial things. I must mention one thing here. The gentleman talks about me having a difficulty with a negro man in Washington a few years ago. The gentleman from Wisconsin [Mr. COOPER] is the first man, as I recall, who ever made reference to that occurrence on this floor. I replied to that showing how some people were trying to nag, worry, and annoy me because I am trying to perform my patriotic duty in this body.

Now, Mr. Chairman, I am going to tell gentlemen here briefly what happened in regard to that matter. I introduced a jim-crow car bill in the House. We discussed it one afternoon. Next morning I received 30 or 40 anonymous letters from negroes, I suppose, threatening my life. I talked with several friends about it and they said, "If you have a pistol, you carry it, for they will assault you; they cut a white boy from Maryland down at the Peace Monument the other night, and you had better be on the lookout." When this negro, drunk and cursing, insulted a white woman on a street car in my presence, a working girl in the Post Office Department, I resented it, and in the difficulty had to shoot him finally, and one shot struck a white man in the leg.

I cared for the white man. I had two trained nurses with him for weeks and, in all, five physicians and surgeons; and they saved his life. It cost me \$2,000 to defend that white girl from the insults and insolence of the drunken negro, but I do not regret my act on that occasion or a dollar of the money that it cost me. [Applause.]

That is not all. The gentleman says that a Republican handed him the Age-Herald editorial read by him here before. Doubtless, I will tell you about this woman defended by me on the street car. A Republican told her that if she testified for me she would lose her job in the Post Office Department. When the case was about ready to be tried they speeded her off to the Philippine Islands without consulting me. I did not know that she had gone. She wrote me a letter from a foreign port and said that she had been sent over there to work in the Post Office Department in the Philippine Islands and would not be here to testify. She wrote me a very touching letter and said, if I wanted her to, that she would have her deposition taken and sent over here, and she said, "I will never forget your kindness

and protection of me." These are the efforts of some Republicans of the gentleman's type to keep justice from being done me in the case I have mentioned. The grand jury by which I was indicted had more than a half dozen negroes upon it. The case was pushed by certain Republican politicians in Washington at that time, who tried to make me suffer. But I knew I was right in protecting the woman as I did. Does the gentleman indorse that?

Now, Mr. Speaker, I am coming to the issue. Cicero, I believe it was, told his friend, "When you find yourself under a serious charge and the facts are all against you, make them forget the charge and the facts if you can." That is what the gentleman from Illinois is undertaking to do here to-day.

I honor his boy who fights for my country. God bless him as he goes to the firing line. But I will say this for the benefit of the gentleman, that after his boy had enlisted the gentleman introduced a bill here to keep the boy from reaching the firing line.

Mr. MASON. That is not true.

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Illinois?

Mr. HEFLIN. Yes. Did not the gentleman introduce a bill to keep the President from taking the Army out of the country?

Mr. MASON. No.

Mr. HEFLIN. What was your bill?

Mr. MASON. It provided for volunteers to be sent there, and my son was a volunteer. [Applause.]

Mr. HEFLIN. Only a volunteer. Then the gentleman is not at all responsible for the boy being in the Army; his boy went in in spite of him if a volunteer. He did not have anything to do with it. But his bill was to tie the hands of the Army and keep the President from taking it out of the country unless each soldier said, "I am willing to go."

I was not going to refer to that. That is a thing of the past. But I will tell you what happened concerning the bill. The pro-German Vierick, notoriously against this Government and for Germany, indorsed this Mason bill and somebody sent petitions all over the country saying, "Vote for the Mason bill to repeal the selective draft." That is what the petition said, whether you call it that or not. "Vote for the Mason bill, which repeals the selective draft." But I was willing to let that go by and bring him down to this speech that he made here in February. Let me get to that. Now, gentlemen, give me your attention.

This is what he said:

Those who are willing and anxious to continue to give the lives of every American and every dollar of American money to transfer the territory of one nation to another will not be here to vote—

And so forth.

Is this country in the attitude of doing that—sending boys over there to transfer the territory of one nation to another?

I denounce that statement as one that does not represent my country's position in this war.

Another one:

The people of the United States are patient. There will be no riots that will shake our Government, for they know that in the cool, quiet days of next November they will be permitted to speak upon questions of life and death about which heretofore they have been silent.

Gentlemen of the House, what did he mean by that statement? What did he mean by insinuating that the people of the United States would not riot? Was there any occasion to make that speech here in February of this year, when our boys were fighting over yonder? Is there any other honest interpretation that you can put upon it except that they do not indorse their country's program and that they will repudiate it? What other meaning can be attributed to it? Gentlemen, is that the right kind of a note to be sounding at a time like this?

What is the next statement in that speech? I will read:

The people in the last analysis govern Congress, and if the people do not govern this one they will the next one.

Now, what did he mean by that? This is the Congress that declared war. This is the Congress that passed the selective-draft bill. This is the Congress that refused to pass his bill, and keeps it lying in the pigeonhole where it belongs. And yet he says that if the people do not control this one they will the next one. Now, listen to this next statement from that speech:

For God's sake let us quit conserving the truth and give out a little of that old-fashioned commodity. The truth is that the thing that stands in the way of peace to-day, that peace that would solve all of these questions that confront us, and which have put us in trouble, is what disposition shall be made of Alsace-Lorraine.

Gentlemen, does that statement represent the facts of your position and mine? Does that represent the truth of the American Government's position in this war? Is that what is behind the boys gone out of my district and yours to fight and die on the battle front in France? No; it misrepresents my country's



position. It is inexcusable and indefensible and deserves to be repudiated by this House. Does it speak your views? Do you indorse that? I am not talking about whether the gentleman wants to run for election in Illinois, or whether I should run for the Senate. I have never said I would run for the Senate, but if I do run I will expect and desire to receive only the loyal American vote. I do not want any other kind of vote. No Potsdamer has got any comfort out of any position that I have taken here, any vote that I have cast, or any speech that I have made. I am for my country against Germany in this war. [Applause.]

Let me read again from that speech:

But, Mr. Chairman, I did not intend to discuss, and shall not discuss further, the solution of the greatest stumbling block in our way to an honorable peace.

Gentleman, he is still speaking of Alsace-Lorraine. Do you regard this as a matter to be lightly cast aside? Should a speech like that turn up in the Record in the years to come and some man read it and say, "Did you ever read that speech made by MASON, of Illinois? Why, he says that our position is that we were over there fighting to transfer territory from one nation to another, and that we fought on when the only question at issue was the disposition of Alsace-Lorraine. Gentlemen, do you want to stand for that in the Record? Gentlemen, listen. I read another statement from the speech that I have criticized:

Since the publication of the secret treaties between our allies we have discovered that when we went to war for democracy our good friends, the English, the Russians, and the French, had agreed just how our English cousins and our French brothers were to slice up Germany, and that noble democrat, the Czar of Russia, was to have a slice of Turkey. We have also learned by the publication of the secret treaties that if we were successful in our fight for democracy that the King of Italy, that great commoner, could turn down the Pope and become sovereign over the farmers of a part of Austria.

Gentlemen, what is the tendency or leaning of the thought in that statement? Which side does it lean to? Does it pull and draw us closer and closer to our allies and them to us; does it contribute to unity of purpose and concerted action between us? No; it assails and attacks the position of our allies who are fighting with us for existence and for liberty. That is what it does. The gentleman says that they had such an agreement when we went into fight for democracy, and that we are fighting with men who want to slice up Germany, and the inference is that that is what we are over there fighting for now. Is there any other meaning to it but that? Gentlemen, is there anything personal in this? There is nothing personal about it with me. If I know my own heart, I am fighting for my country and for a correct statement of her position before the world. [Applause.] This does not correctly state it. Now, did he say in that speech what the President had said, that this war was begun by the military masters of Germany? Did he say what the President said, that Germany dragged us into this war, and that we could not remain out without being dishonored and disgraced? [Applause.] No; he does not say that. He nags at the allies. He talks about the only thing that stands between us and peace, when our very existence is at stake. And yet some gentlemen on that side sit and cheer the gentleman, which shows, I presume, that they indorse the stand that he takes in this speech. That will be a question for them to settle before their constituents this fall.

Now, I read further from that speech:

And some of you maybe were surprised when you discovered that our good friend, the Mikado, who does not want to own land in this country or send his children to the schools of California and does not want the Sandwich Islands or the Philippine Islands, and who while in our fight for democracy has not found it convenient to send a man or a ship to help us while we are helping him. I say some of you may have been surprised that our Japanese friends, while expecting our assistance in this fight for democracy, had a secret treaty with the great democrat, the Czar, whereby they were to fight your Uncle Sam in the Far East in case action should arise and we need the whipping.

Why that suggestion at a time like this? Japan is an ally of England, one of our great allies. Why should anything be said to reflect upon Japan?

Is there anything in this about Germany, about the murder of the Archduke and Duchess of Austria as a pretense and excuse to begin the war? Is there anything about the Kaiser saying "On to Paris and world dominion"? No. Anything about the Crown Prince telling Gerard they had 500,000 reservists that could strike this country down before it could raise an Army? No. Anything about the spies right here in Washington and over the country blowing up munition plants, destroying our property, and inciting sedition and treason amongst the people? No. Nagging at the allies, nagging at Japan, England, France, Russia, Italy? My God! What greater contribution could be made to the enemies of the Government than such suggestions as those. Do gentlemen here stand for that? Do you indorse that? Here is another statement from that speech, speaking of the mothers of America:

They know, if they have been through high school that never before in the history of the United States have Americans been conscripted to settle ancient questions pending between other nations.

My God; such a statement! I was in my district week before last and a mother who works in the cotton factory at Lanett came up after my speech in the interest of the liberty loan, shook my hand, and said, "Mr. HEFLIN, I want to thank you for your speech and for what you are doing for our boys. I have got one in France already and I have another who will go if necessary as soon as he is old enough"; and the tears were in her eyes as she spoke, and I thought as I came away, My God; was there ever a more full and complete heart offering than that of a mother presenting her boy at the altar of her country—and then sit silent when a speech is made here saying that American mothers who have been through high school know that never before were boys conscripted to go and fight to settle ancient questions pending between other nations! Is that what we are fighting for? The President of the United States said, "We are fighting for the rights and the liberty of the American people." "American sovereignty is at stake," and that "to withhold our hand was to dishonor the flag." But here is an insinuation that our boys are being conscripted to fight to settle disputes between other nations. My God, gentlemen, were you willing for that speech to go down to posterity unchallenged, unanswered? I am not; and that is the sole purpose of my attacking it before and again here to-day.

The gentleman has read what the papers said about me. I gave him notice the other day that I hated to refer to newspaper comments upon him, but the Chicago Herald, in his own State, says of him that his attitude has affronted the patriotism of the Nation. I am not saying it. The Chicago Post, another Republican paper, says of him that he is a German-helping Congressman. I did not say that, and I asked him before not to make me say these things upon the floor, but I am now like he said of himself—I dare to do my duty here if it cost me my life.

The gentleman says that I do not know a recruiting station when I see it. I may not be able to recognize a recruiting station, but I can not be deceived about a Potsdamer. [Laughter.] The gentleman says that I would not be able to hit a German on the firing line. I may not be able to hit a German on the firing line in France, but I shoot with unerring precision at the bull's-eye of slackness and sedition in Washington. [Applause.] I can not be deceived by the waving of hands that resemble those of the American Esau, for I recognize the voice of the German Jacob. [Laughter.]

So much for that. Another paper says that Gov. Lowden was called over there to take charge of a meeting where the gentleman was to speak for pacifists. Does that look like he was contributing to our cause? I have got the newspaper article right here. Gov. Lowden came himself to take charge of the situation, the paper says—the governor of Illinois. No governor of my State has ever been called to a meeting where I went to make a speech, except to applaud the patriotism of my speech. No paper in my State or out of it has ever challenged my loyalty or questioned my patriotism. Here is what the Omaha Nebraskan said about the situation here last fall:

Every Kaiser booster in the House took occasion to join in the abuse of HEFLIN, the 100 per cent American from Alabama.

That is what the papers say about me, and I have read what the gentleman's own papers say about him. Here is another one. The Gazette, of York, Pa., says:

Congressman HEFLIN has consistently been a loyal American.

Here is what the Birmingham News says:

All through those months antedating the war, and even after the declaration, there were congressional speeches attacking methods of the administration, speeches with double meanings, delicate turning and twisting of sentences that might easily have been attributed to Germanic influences. Through all that mêlée of strange tongues Tom HEFLIN, of Alabama, was at the forefront of the fighting in defense of clean, outspoken, thoroughgoing Americanism.

[Applause.]

That is what the papers of my State say about me, and I have given you what the Chicago Post and the Chicago Herald, Republican papers, said about the gentleman from Illinois. I have some letters here about the gentleman, but I will not take the time to read them now. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has just about one-half minute.

Mr. HEFLIN. I will ask the gentleman to yield me a little more time.

Mr. SISSON. I yield the gentleman five minutes more.

Mr. HEFLIN. Wisconsin has had a house cleaning. The legislature of that State by resolution has repudiated one who has not measured up to the standard of American loyalty in that State. The people at the polls have repudiated Berger and

elected a loyal man, LENROOT, to the Senate from Wisconsin. [Applause.] I hope this fall to see every disloyal Republican on that side beaten and every disloyal Democrat on this side beaten.

I would not go into the district of a Republican who has been loyal here, if that is the issue, and help somebody to beat him, and I will not go into the district of a Democrat who has got a yellow streak in him and ask them to return him at the next election. I will say to the House that if I had my way about it there are two or three or four on either side here that I would not vote for for reelection. I will say that to you frankly. I am not playing any favorites in this matter. There are a few in here on both sides that if I had my way about I would not return them to the House.

But, gentlemen, let me say this in conclusion: I know that the heart of this House is loyal to that flag; I know that the newspaper boys who sit in that gallery, nearly all of them, with the possible exception of a very few, are just as loyal as I am and as you are. I am fighting for the boys at the front; I am fighting for my country if I know my own heart. Let gentlemen criticize me personally—I am ready to take it—but I want to stand squarely by my people and by my country and be able to say that I did what I could to close up the ranks in this House. I want to make my contribution in this time of war to the complete solidarity of the American people. [Applause.] That is my position, and the gentleman's speech that I have here criticized is not in keeping with that position. It misrepresents my country's position; it is inexcusable and indefensible and ought never to have been made in this House. Now, if the gentleman wants to go along hereafter standing by us and with us all down the line, I welcome him to the ranks. I do not want him to assail my country and its position, or anybody on that side, or anybody on this side. If he rises on this side I will criticize him; if he comes up on that side again, so help me God, I will criticize him.

Gentlemen, let us stand together, all together, behind the President of the United States. America no longer held together by outward force and barriers, but bound together by the ties of love and loyalty, and the cling of section to section—one heart, one country, one flag, America—incarnated spirit of liberty and power in the hands of God to prevent democracy and liberty from perishing from the earth. [Loud applause.]

Mr. DAVIS. Mr. Chairman, I yield to the gentleman from Illinois [Mr. GRAHAM] 35 minutes.

Mr. GRAHAM of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GRAHAM of Illinois. Can I yield a portion of my time and reserve the balance and then use it?

The CHAIRMAN. The gentleman can.

Mr. GRAHAM of Illinois. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I am very much obliged to my colleague; but in view of the circumstances I do not think it is necessary, and I will yield back the time to the gentleman.

Mr. GRAHAM of Illinois. Mr. Chairman, ever since the outbreak of the European war, as a part of her system of frightfulness, Germany has sent her agents through the civilized world to spread vicious propaganda, to burn and poison, to destroy and to kill, wherever she could in any way impair either the morale or resources or strength of her adversaries. It is a new method of warfare and worthy of its Prussian inventors. It harmonizes with broken treaties and scraps of paper and poisoned gases, defiled women, ravished and desolated countries, submarines and sinkings without trace. For 40 years, while Germany was perfecting her military machine for "the day," she was sending her spies and secret agents into every country and sequestering them there until she should need them. Before we entered the war Bernstorff and his associates sat in pretended amity with us and secretly sent out their agents and spies, paid with German gold, to burn our factories and destroy our industries and take the lives of our people. It was a comparatively easy process. We were not at war with Germany, and, of course, the secret agents of Germany could and did carry on their work of destruction with impunity.

After our entrance into the war the system of sabotage that had been carried on during our neutrality continued, but to a greater degree. In the hope that I may, perhaps, direct some degree of public attention to the extent of these outrages, and with the hope that further and more drastic action may be taken to curb these secret crimes of sabotage, I desire, in the time allotted to me, to make some general observations on this subject.

At the expenditure of some considerable time and effort I have attempted to estimate the vast extent of sabotage in this

country since the declaration of war. Such a task in itself is a difficult one. There is no department of government that has attempted to list or classify these crimes so that we can form an intelligent idea of their extent. I have applied to the chief of the Bureau of Investigations at the Department of Justice and am told that, owing to the many problems connected with the war which that bureau has had to deal with, the bureau has not kept up the ordinary classification of crimes prosecuted by it, to say nothing of a classification of these crimes of enemy aliens and sympathizers.

Therefore, to get an intelligent idea of the magnitude of the work of the spies and disloyal criminals in the country, we are forced to rely largely on the reports as gathered by the Associated Press and other news bureaus and published in the daily press of the country. These reports, of course, are not entirely accurate. In the general excitement throughout the country, caused by the war, people are apt to see in every burning and every calamity the nefarious hand of the enemy. There are doubtless fires and explosions reported as caused by the enemy that arise from natural causes. But it is equally true that there are many cases unreported by the press bureaus that are caused by incendiaries and enemy sympathizers. For instance, during last fall I had occasion to be at Lewes, Del., during one of the short intermissions of Congress, for some days. This is the heart of the tomato-canning district, and at that particular time, in September, the crop was coming in and was being canned at the many canneries through the country. In one week's time three factories in that locality were burned, with hundreds of thousands of cans of this valuable vegetable product, and in some cases many loaded cars were also consumed. These fires were known to be incendiary. In all of them the fires originated in many places at once, and those first on the scene found evident traces of the use of kerosene. So far as I could observe, there were no reports of these outrages in the metropolitan press; only local mention in local papers was made of them. As will be indicated in my statement of crimes hereinafter, it is very evident that very large numbers of injuries to life and property directly traceable to the activities of enemies or enemy sympathizers are unreported by the press, probably sufficient to more than balance those reported as the work of the enemy that are, in fact, from natural causes.

In the examination of the crimes of sabotage I have only taken such as are reported to be supposed to be of an incendiary or intentionally destructive character. I have also confined myself to reports of fires and explosions in plants engaged in war industries or having to do with war contracts of some kind.

Do not understand me as stating that all these crimes which are committed are the work of enemy aliens. Some of them result from the activities of disloyal citizens of our own country. As to all such, I may remark, our statute on treason applies, and I am convinced that a liberal use of its drastic provisions in such cases would be highly efficacious. I am informed by the Department of Justice that almost all of the pro-German propaganda in the country, while it is doubtless inspired from German sources, is in fact spread and circulated by pacifists and agitators and American pro-German sympathizers; such men as the one who recently stood before the people of one of our States as a candidate for the high office of United States Senator on the shameful platform of an abandonment of the war and peace on any terms dictated by the common enemy of mankind.

In the month of April there were reported five great incendiary fires and four explosions in industrial plants making war munitions. One of these, at least, was known to be the explosion of a bomb. One of them was the terrific catastrophe of April 1 at Chester, Pa., of the Eddystone Ammunition Corporation plant. On the 19th, at Trenton, N. J., some prowler about to be foiled at his work, shot at and attempted to kill, from ambush, a soldier sentry. But fragmentary estimates of losses are given, but the losses reported by the press for the month of April in five of these cases were \$1,500,000 in money, and in all 124 people were killed and 54 wounded. The money loss does not include the loss at the Eddystone plant.

It will be remembered that the press reports of these crimes do not often give an estimate of the money losses; therefore, the estimates I give here are probably not 50 per cent of the actual losses in money, to say nothing of consequential losses.

In May, 6 incendiary fires were reported and 4 explosions in war plants. But four estimates of financial loss out of the 10 were obtainable, and these aggregated \$1,715,000. In this month there were 9 people killed and 25 wounded in these disasters. Two steamships were set on fire at their docks, one the German steamship *Princess Irene* at New York, and the other the British steamer *Matoppe* at Boston. Another steam-



ship pier was blown up at Sault Ste. Marie. This month, also, began a series of poisoning outrages, which has continued ever since; a large number of soldiers were poisoned at Pittsburgh, Pa.

In June three incendiary fires were reported, one of these a steamship that burned at its pier. Six plants were wrecked or injured by explosions. Of three reports of losses, the estimated loss was \$1,450,000; 19 people were killed and 36 wounded in these occurrences. Among them the water system of a city was destroyed by dynamite. The poisoning continued; anthrax germs were used to inoculate cattle, and large numbers died by reason of it. In addition many attempts were made to inflict injuries that failed. An attempt was made to wreck the train in which Gen. Wood was traveling near Birmingham, Ala. A bomb was found in an aeroplane factory, and other similar outrages were prevented.

In July incendiary fires almost without number were reported. Aside from fires in great industrial plants making war munitions, in the early part of the month, from all over the Northwest, many elevator fires were reported. There are no available estimates of the number of these elevator fires. How many bushels of sorely needed grain were then destroyed it would be hard to say, but it is doubtless a large amount. In one elevator fire at Rochester, N. Y., \$1,000,000 worth of grain and property were destroyed. At Klamath Falls, Oreg., 225 horses and cattle were reported poisoned; at Sacramento, Cal., hogs and cattle were poisoned in large numbers; at Mobile, Ala., cattle were poisoned with anthrax germs; at Kansas City, Mo., tetanus germs were used in court-plaster. Two fire losses reported aggregated \$1,350,000; 11 were killed and 62 wounded during the month.

In August these crimes fell off noticeably. In that month there were but few losses from sabotage reported. In two of them reported, however, there were financial losses of \$1,500,000, and four people lost their lives.

During the month of September the ordinary amount of crime of this nature continued. At Fort Sheridan, Ill., many horses were reported killed by the use of arsenic on the hay. The cargo of the Swedish steamer *Magdo* was set on fire at her dock in New York, with a loss of \$1,000,000. Three fire losses reported were \$1,100,000 and four people were injured.

Now, I desire you to observe that these crimes, this violence I am speaking of, is not decreasing but is rapidly increasing. As I have observed, in August but six such occurrences were reported. Observe, now, how they increased in October. Early in the month a series of incendiary fires broke out in the fruit-packing plants and warehouses near San Francisco, Modesto, and San Diego, Cal. How many there were or how much fruit was destroyed it would be hard to say. Elevators were burned with millions of bushels of grain. Still the devilish poisoner plied his trade, and attempts were made at Princeton, N. J., to poison aviation students with cyanide of potassium, and at St. Paul tetanus germs were found in large quantities in vaccine. Eight fire losses estimated a loss of \$9,260,000. Piers and docks were burned and ships were fired at their docks. One grain elevator at New York was lost, with 700,000 bushels of grain and a money loss of \$1,200,000. So frequent were the fires along the water front in New York that Police Chief Kenlon reported during the month that there had been 56 water-front fires "lately."

I have not time to recount all these matters. I wish I could, that I might impress more vividly the necessity of doing something to fight the enemy in our own country. I have tabulated these outrages as I have gathered them from the press, but unless it is desired I shall not burden the House with reading them at large.

In November alone 10 people at widely separated points were poisoned and killed by tetanus germs in vaccine. Many explosions and fires occurred, and many incendiary and explosive bombs and infernal machines were discovered before they had done their work. To illustrate the lack of care we use as a Nation in this war, on November 11 the plant of the Washburn Wire Co. at New York, N. Y., burned, thought to be incendiary, with a loss of \$2,000,000, and with much material needed at once by our military forces. At the time there were working in the plant 25 enemy Germans and 200 enemy Austrians. I say enemies, for it is true, is it not, that a citizen and subject of a nation with whom we are at war owes allegiance and service to his mother country? If he did not, he would be a poor citizen indeed. Only six estimates of losses were given, and these aggregate \$2,902,000; 21 people lost their lives, and 85 were wounded and injured. A steamship at its pier in New York was thought to be set on fire. Thousands of cattle were poisoned during the month, and many elevators burned. It was reported

that at many widely scattered points in Minnesota and the Dakotas elevator fires occurred.

In December the losses continued undiminished. Ten reported losses were \$3,172,500, while 15 people were killed and 50 were wounded. Powdered glass was used in many places. Thousands of surgical dressings were found poisoned and destroyed by medical inspectors. Torpedoes were found ready for use with defective gyroscopes, doubtless so made by intent.

In January and February the losses mounted. There were more fires, more explosions, ships, wharves, steamboats, transfer plants, supplies were burned or destroyed by bombs or explosives. In January, of 14 losses reported, the aggregate was \$7,210,000. One man lost his life and 58 or more were injured. In February, in 9 losses reported, \$1,910,000 was given as the aggregate, and 3 were killed and 26 injured.

During March three losses reported were \$1,910,000, and five were killed and scores injured.

An inspection of these losses demonstrates the general character of them and the objects that were evidently sought to be obtained. They invariably affected some necessary war activity or industry. In the list you will find the objectives usually attacked were ships and shipyards, chemical plants, munition factories, and foodstuffs of all kinds. They were not confined to any particular locality, although most of them were along the Atlantic coast; they occurred in almost every State of the Union, and wherever food or munition supplies could be most easily and vitally affected.

This concludes a year of war. No one knows how much the aggregate financial loss is. As has been stated, estimates are not made in half of the cases. Hence we can not estimate the loss, but the ones I have mentioned aggregate the astonishing total of \$32,078,000, while 212 people were killed and 490 maimed and injured. I believe I am exact in saying that more people have been killed during the first year of war by acts of sabotage than there were by the land operations of the enemy.

Now, making allowance for the cases I have enumerated, which are accidental, it is evident that the ones which were the work of enemy spies and sympathizers were detestable crimes of the utmost violence. Can anyone imagine a more heinous crime than the act of the miscreant who places explosives where they may, hours or days afterwards, wreck and ruin everything near them and destroy innocent human life? If this is not murder, what is murder? "Thou shalt not kill" has been the injunction laid upon mankind from its infancy. It is the one crime that all the races have agreed merits the extreme penalty of death. For the soldier who meets his foeman in the strife and kills there is excuse and even commendation, but for the sneaking, cowardly hound who slinks through the dark to his ghoulish mission of destruction and death there is but one fitting end—the rope or a firing squad before a blank wall.

Has anyone heard of the infliction of any severe punishment on anyone who has been guilty of any of these crimes since the war began? As a matter of fact, it is probably true that but few have been arrested for such crimes. Many arrests have been made and many convictions had throughout the country for alleged disloyal statements, but I dare say but few for positive acts of sabotage. The principal reason for this was the lack of a Federal law on the subject; there were ample State laws, but little enforcement of them. Therefore the criminal does not fear the law and the acts continue in full measure. We ought to stop it for two reasons: To retain our self-respect as a nation, surely we ought to be able to suppress the enemy in our own land; and, second, that our resources may not be destroyed and dissipated, while we are straining every energy to do the mighty task allotted to us. These crimes will not end until we instill the fear of God into hearts of all who would commit such outrages. They will not end until we lead some of the criminals out before the people and before the guns of a firing squad make them expiate their crimes.

A failure to punish these criminals will lead to disorders among our people just as sure as the morrow is coming. There have already been outbreaks reported which are typical of what may occur at any time. When the minds of the people are overexcited because of war activities, when they are giving their boys to the battle, when they are giving up their property to pay taxes and their earnings as loans to the Government they will not patiently submit to the work of traitors and spies at home. The people of this country are fast coming to the time when they will begin to hate and they will take a hand in this matter if Congress and the officers of justice of the Government do not do what they can.

If it is true, as we fear it is, that the American people are just at the beginning of years of war; if it is true, as we are coming reluctantly to believe, that many a long and bloody day

shall pass before the Hun shall be willing to keep within his own domain and keep the peace with the world; if our best and noblest and bravest sons must die before this bloody business is over, we at least ought not to permit the enemy to attack us from behind while our soldiers are facing his guns at the front. Not all of us can carry the guns and do the fighting; some of us must cross the seas and some must stay; but we who stay can keep our country loyal and true and crush out sedition and treason and the machinations of our enemies at home.

And when one thinks of it seriously there is no particular reason why crimes of sabotage should not occur at frequent intervals and extensively throughout the entire country. The Chief of the Division of Investigations of the Department of Justice informs me that there are approximately 415,000 enemy Germans in the United States and 1,500,000 enemy Austrians. How many Turks and Bulgars there are nobody knows. The Department of Justice does not know; the Bureau of the Census does not know. Where they are no one knows. It may be said that as to these Turks and Bulgars, their number is inconsequential, and we are not at war with them, anyhow. Be that as it may, their people are fighting our friends, and if they win, we lose; if they are victorious, we suffer the fate of the vanquished, do we not? Whatever the facts may be about a declaration of war, these people owe allegiance to their mother countries and will help them if they can. It has been said a great number of Austrians in this country, of Slavic descent, are hostile to the central powers; this is true. I know of Austrian citizens in my district who are giving their boys to the military service and in their hearts despise the government of their mother country.

It has been said that without the labor of the Austro-Hungarian citizens many of our mines and industrial plants would have to close. It is not desirable to take these workers from their places unless it is necessary, but a system of careful registration of and reports by such enemy aliens is highly desirable; the enemy alien who is a friend of this country will be glad to report when required to and thus help the country. If he is not willing to do so, he is not a friend of our cause and ought to be interned or deported.

A careful registration of all alien enemies should be made, including Turks and Bulgars. Whenever an alien enemy goes from one place of residence to another or from one occupation to another, the Government should know where he goes; and he should go only on permission of the proper officers connected with the Department of Justice or some other proper department of the Government. In other words, the Government should know all the time just exactly what every enemy alien is doing and where he is. This is the method pursued in other countries, as I understand it. Imagine, if you please, an alien enemy to Germany roaming around Berlin without surveillance by the authorities. Imagine a German citizen in London doing as he pleases. In Germany in peace time there is absolute knowledge by the authorities of the comings and goings of every stranger. The same is true in other European countries. I would not favor this system in times of peace. I do say, however, the exigencies of the war require a careful surveillance of enemy aliens in a time such as this.

War was declared April 6, 1917, against Germany. The same day the President issued a proclamation enjoining upon male German aliens above the age of 14 years certain obligations. They must not bear arms, nor operate aircraft or wireless apparatus; they should not approach a fort or Government post nearer than one-half mile, nor print attacks against the Government, nor commit hostile acts, nor live in areas prohibited by the proclamation of the President, nor land in or depart from the United States without permission. There was no provision for registration, and there was none for six months following the declaration of war.

However, there was a statute that authorized the President to intern or deport or register these alien enemies at any time after the declaration of war. This act has been the law for 120 years, and was enacted July 6, 1798, being section 4067 of the Revised Statutes.

On the 16th day of November, 1917, the President issued a second proclamation. This proclamation required all alien enemies—German—to register at times and places to be fixed by the Attorney General by regulations to be issued by him. The President directed this registration should be "as speedily as may be practicable," and that registration cards should be issued to all alien enemies, and that the Attorney General might make such rules and regulations as he thought fit. It also provided that no alien enemy could change his place of abode without permission.

I also direct special attention to the fact that the President, by this proclamation, authorized the Attorney General to make

such regulations for "monthly, weekly, or other periodical reports" by the aliens as he might think necessary.

That proclamation was issued, as I have said, on November 16, 1917. The Attorney General issued his regulations about six weeks later, on December 31, 1917. The registration began on February 4, 1918, and has just been concluded and the blanks are just now being returned to the Attorney General's office. There are approximately four or five hundred thousand of them. When I last inquired about this matter they had not been filed nor classified nor indexed, but were simply a conglomerate mass of information, tons of it, but with no immediate value, because it was not in shape to be available. In response to my inquiries at the office at that time I was told that it was not known how soon this work could be done.

The President recommended that the alien enemies should be required to report. The Attorney General has not required it. His published regulations required no reports at all, and in that respect he has disregarded a safety provision of the President. Of what value, pray, is the registration of a man if from the day he registers the Government has no method of ascertaining his whereabouts. If an alien enemy living in Baltimore goes to New York and remains there for a year, how is the Government to know of it under the present regulations? But if this alien enemy, once a week, or periodically, must call on the proper authorities and identify himself and report, when he fails to report the Government at once is advised and will attempt to locate him and ascertain his business.

The Department of Justice informs me that they are now considering the advisability of inaugurating a system of reports by enemy aliens of German descent. However, the point is, that after a year of war no such reports are required, and it is uncertain when they shall be.

On December 7, 1917, we declared war on the Austro-Hungarian Government. On December 11, 1917, the President issued his proclamation enjoining upon Austro-Hungarian citizens, resident here, three duties—not to depart from or enter the United States without permission, and making any such alien enemy liable to summary arrest and confinement who violates any laws, rules, or regulations, or who seems to be dangerous. There was no registration of Austro-Hungarians at all provided for.

Therefore, we find after a year of war, in which we have spent many billions, in which our sons have died on the sea and on the land, in which we have lost millions in money and stores of food and munitions, whose value to us now is almost incalculable, by torch and bomb, we have no knowledge, as a people, of whom the enemies are that are among us. We do not know their numbers or where they are. We do not know their comings or their goings. There may be a million of them, or there may be 3,000,000. They may be employed, and doubtless are, in every munition plant and mine and arsenal in the land. And, what is more essential, we do not seem to have any plans for bettering these conditions in the immediate future. We seem to propose to muddle along somehow and do things only when we are obliged to by impending disaster. The policy seems to be to disturb no alien enemy until he burns a factory or a ship, and then to intern him in comfortable quarters, with good, wholesome food, instead of shooting him dead at sunrise, as he deserves.

I said in the House on February 12 last that I did not believe criticism in times of war was defensible unless it was constructive. What remarks I have made have not been intended to be in criticism of the administration at all, but are simply made with the hope that they may attract attention to a condition that we all want to see bettered. I have stood by the country in every measure that has been proposed to this Congress. I have supported the President in everything he has asked for. I propose to continue supporting the Government and the President in every measure that may be suggested for the good of the country and which will help us whip the accursed Hun and secure the blessings of peace and honor to us and our posterity.

I believe that every German and Austro-Hungarian alien enemy ought to be at once registered and required to report at frequent intervals at certain designated and convenient registration points. The Department of Justice should be directed, by proper legislation, to maintain surveillance over these alien enemies, and proper appropriations should be made for this purpose by this Congress. It is absolutely futile to expect the Department of Justice to do this work without ample financial provision for so doing. There should, above all things, be a most stringent law as to sabotage, imposing a maximum penalty of death for such offenses. The law just passed, with a maximum penalty of 30 years' imprisonment, in my judgment, is insufficient. Why should we be so tender with those alien enemies who imperil and take the lives of our people by their



crimes? Why leave them to be prosecuted in the courts of the States, whose proceedings are notoriously slow and full of delays? There should be ample Federal laws, and the remedies should be certain and the machinery summary.

One other suggestion I have in mind. We have many agencies in our Government for the detection of crime, but no central authority. The Army has its Army Intelligence; the Navy its Naval Intelligence; the Department of Justice has its Division of Investigations; the Post Office Department has its system of inspection and investigation; the Treasury Department has its Secret Service engaged in investigations of revenue and other crimes. The work of these various branches of the Government is secret and extends over the whole country. In many instances the work is liable to be duplicated, while the work of all these various agencies can not be centralized upon any particular object with ease and celerity under the present system. It would seem that it would be better that the secret service of the Government be consolidated under one supreme head and the activities of all be directed by one central authority. It seems to me that more efficiency would result, less expense would be entailed, and more crime would be punished. In this particular instance that I have been discussing—the control of alien enemies—great advantage would doubtless result. I am told that frequent and regular conferences are held between the heads of the various secret-service departments of our Government, and in this way the various branches work harmoniously. We shall find, sooner or later, that these agencies can not function separately if they are to be of the highest efficiency. The allies have found that to be at all successful there must be one supreme command. The Germans always knew it. It is equally as true in our Government and it is true in the secret service. There ought to be one chief directing mind.

Let it be understood that I am not criticizing others and losing sight of the derelictions of Congress. On April 4, 1917, there was introduced in the Senate a bill to punish acts of sabotage. It was not at all a drastic bill. It did not provide the death penalty, as it should have done. That bill, I am told, was prepared by the Department of Justice, and was sorely needed. However, it did not finally pass both Houses of Congress until a few days ago. The slight amendments sought for the espionage law have just finally been agreed to in conference. There have been no attempts at all on the part of Congress, as I am advised, to give such additional powers to the Postmaster General's office as will enable the Government to curb and stop the flow of seditious and anti-American propaganda that every day pours through the mails; most of it at second-class postal rates. More harm is done to the morale of the country by this insidious publication and distribution of such matter than by the torch and bomb of the plotters and spies. It may be said it would curb the freedom of written and printed speech. If one can not, in these crucial days, when the Huns are battering at the gates of civilization, speak well of his country, he ought to close his mouth, and if he will not do so, then the arm of the Government, the sovereign right of the people, should compel him to do so. We have no rights in time of war except such rights as are subject to the higher rights of the Nation. "The safety of the people is the supreme law." [Applause.]

Mr. GALLIVAN. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. HARRISON].

Mr. DAVIS. Mr. Chairman, can the Chair inform me how much time the gentleman from Illinois just used?

The CHAIRMAN. The gentleman yielded back two minutes. Mr. DAVIS. Does the Chair know how many minutes he used?

The CHAIRMAN. He used 33 minutes.

Mr. HARRISON of Mississippi. Mr. Chairman, on yesterday I introduced in the House a bill that ought to appeal to its entire membership. It provides for the employment by the Government of disabled soldiers and sailors and gives them a preferential status under present civil-service laws.

The bill does not seek to load the public service of the United States with incompetents. None of the established safeguards of the civil service are in the least weakened and none abrogated. It simply proposes that the Government shall show its gratitude to the men who have offered their bodies as a living rampart against the overrunning of this world by the German barbarians, and have suffered wounds and injuries thereby which place these men at a disadvantage in the keen competition of ordinary life.

The Government has work to be done. It needs thousands of workers in clerical positions. This bill undertakes to substantially recognize the debt we are under to these men, and requires that, all other things being equal, and there being no doubt of the competency and ability of the wounded man to dis-

charge the duties of the position, he shall be given the preference in the selection.

Other countries in this war are utilizing their wounded and disabled men—England, France, Germany, Austria-Hungary, Belgium, Canada, New Zealand—according to their capabilities. It appears to be an act of justice very generally recognized.

Mr. FESS. Mr. Chairman—

The CHAIRMAN. Does the gentleman yield?

Mr. FESS. The gentleman is discussing one of the most important items of legislation that will be offered in this Congress. There is a joint committee now carrying on hearings, and here are only a few Members in the House, and I am going to make the point of no quorum.

Mr. HARRISON of Mississippi. I hope the gentleman will not make it, because I am about through.

Mr. FESS. It is the only time I have ever done so since I have been here, but there are so few Members here now—

Mr. HARRISON of Mississippi. I sincerely hope the gentleman will not do so.

Mr. FESS. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The gentleman from Ohio makes the point of order that there is no quorum present. The Chair will count. [After counting.] Evidently a quorum is not present, and the Clerk will call the roll.

The roll was called, and the following Members failed to answer to their names:

Alexander	Eagle	Kelley, Mich.	Roberts
Anthony	Edmonds	Kennedy, Iowa	Rosenberg
Austin	Estopinal	Kennedy, R. I.	Rose
Baer	Fairchild, B. L.	Kettner	Rouse
Barnhart	Fairchild, G. W.	Key, Ohio	Rowland
Blackmon	Farr	King	Sanders, La.
Booher	Ferris	Kreider	Sanford
Britten	Fields	LaGuardia	Saunders, Va.
Brodbeck	Fisher	Lee, Ga.	Scott, Pa.
Browning	Flynn	Lehlbach	Scully
Butler	Focht	Lever	Shouse
Campbell, Pa.	Fordney	Littlepage	Slayden
Cannon	Foss	McAndrews	Slomp
Caraway	Frear	McArthur	Sloan
Carew	Freeman	McCulloch	Small
Carter, Mass.	Fuller, Mass.	McLennore	Smith, Mich.
Clark, Fla.	Gallagher	Madden	Smith, T. F.
Clark, Pa.	Garland	Maher	Stafford
Coady	Glass	Mann	Steele
Connelly, Kans.	Godwin, N. C.	Mondell	Sterling, Pa.
Cooper, Ohio	Gordon	Montague	Sullivan
Cooper, W. Va.	Graham, Pa.	Morin	Summers
Copley	Gray, Ala.	Mott	Swift
Costello	Gregg	Mudd	Templeton
Crago	Griest	Nichols, Mich.	Thompson
Cramton	Hamilton, N. Y.	Norton	Tinkham
Crosser	Haskell	Oldfield	Vare
Curry, Cal.	Hawley	Olney	Venable
Dale, Vt.	Hayes	O'Shaunessy	Vestal
Davidson	Helntz	Padgett	Vinson
Denison	Helm	Peters	Volgt
Dent	Hensley	Phelan	Waldow
Dewalt	Hicks	Porter	Walker
Dies	Hood	Powers	Ward
Dill	Howard	Pratt	Webb
Doelling	Hull, Iowa	Rainey, J. W.	White, Me.
Doughton	Humphreys	Ramsey	Wilson, Tex.
Drukker	Hutchinson	Randall	Woodyard
Dunn	Jacoway	Reavis	
Dupré	Johnson, S. Dak.	Riordan	
Eagan	Jones	Robbins	

Thereupon the committee rose; and the Speaker having resumed the Chair, Mr. GARNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill H. R. 11692, the District of Columbia appropriation bill, finding itself without a quorum, he had caused the roll to be called, whereupon 269 Members answered to their names, and that he presented therewith the names of the absentees for printing in the RECORD.

The SPEAKER. A quorum is present. The committee will resume its sitting.

The committee resumed its session.

The CHAIRMAN. The gentleman from Mississippi [Mr. HARRISON] has six minutes remaining.

Mr. SEARS. Mr. Chairman, will the gentleman from Mississippi yield?

Mr. HARRISON of Mississippi. I yield.

Mr. SEARS. I notice with a great deal of pleasure the interest which the able Representative from Mississippi is taking in this matter, and I would like to ask him if he has considered the feasibility or the advisability of incorporating his suggestion in the bill introduced by Senator HOKE SMITH and myself for the rehabilitation of soldiers?

Mr. HARRISON of Mississippi. I will say to the gentleman that I would be very glad if the idea embodied in my bill could be embodied in the bill known as the Smith-Sears bill. I can not see why it could not all be put together.

Mr. SEARS. I would like the gentleman to better those, as he has been attending some of these hearings and I know is interested in the matter.

Mr. HARRISON of Mississippi. This Congress will shortly be called upon to consider and enact a comprehensive system of vocational reeducation and rehabilitation of men who have been injured in the armed forces of the United States. Those men, however maimed their poor bodies may be, are among our most precious assets, for, enshrined in their hearts, the sacred flame of liberty illuminates the shrine of justice, democracy, and love of country. They have suffered and bled for these things. In the long years of slothful peace to come, the example and the spirit of these men will go far toward keeping us in the straight road leading to our ideals. So, where a man returns broken in body, we are going to salvage him; give him the very best care that medical science and experience can give; repair him as far as is possible, and educate him to do something for a living—something he can do well, despite his handicap.

Necessarily clerical work will occupy a large place in a system designed for men physically unfitted for work requiring considerable strength or activity or endurance. It is more than likely there will be special courses of training designed to fit those capable of taking civil-service examinations and able to perform the various sorts of clerical work this Government is constantly in the market for.

Is it too much to ask the healthy, husky, able person who has never passed into the valley of the shadow of death, and through the veritable inferno of the battle front, to stand aside and give precedence to the maimed remnant of manhood who has endured those things, who has fought the good fight, and now drags his broken body back to the shores of the country he has helped save?

The chief trouble of these disabled men is the fear that they have become useless—that they are mere wrecks cast by the red tide of war on the shores of time, there to slowly disintegrate. The knowledge that they can do useful work despite their handicaps, the conviction that they are yet of use in the world, heartens them and gives them a new lease on life.

It is proper, therefore, that the Government which is reeducating them and fitting them to take their places again as useful members of society should set the example in giving them employment.

Our Labor Department and the placement division of the reeducation work will soon be issuing patriotic appeals for opportunities for employment for the returned men who have been wounded and refitted for usefulness in this, and that line of endeavor.

We had better set the example ourselves to the private employers of labor, and we can with clean hands and clear conscience then make our appeal for justice for the wounded men; not charity but justice, in affording them an opportunity to make a living once more. [Applause.]

I yield back any time I have remaining.

The CHAIRMAN. The gentleman yields back four minutes.

Mr. DAVIS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Moore].

Mr. MOORE of Pennsylvania. Mr. Chairman, it pains me to do what I am about to do now, but those of us who are afflicted with the divine afflatus and who burn the midnight oil, must find an outlet even if we impose on our colleagues in this House. The lines which I am now about to recite, written in the vernacular of the street, have no personal application. If they have any title at all, they might be called "Doggerel on a Dog Fight." [Laughter.]

With this brief prefatory statement, I will proceed. [Applause.]

# I.

If you was a slacker of high degree,  
And welched on a liberty bond, tax free,  
An' ye couldn't get over to "Gay Paree"  
For a swell old time like ye used to, see!

What'd ye do, bo,  
What'd ye do?  
Would ye sit in yer corner and write a note  
A-beggin' the words of the late Rufus Choate,  
And tell yer "damned" Congressman how he should vote?  
You betcha!

# II.

If you was a worker that wouldn't work  
And ye hated the feller that didn't shirk,  
And ye heard a lip-patriot talk like a Turk,  
What'd ye do, bo,  
What'd ye do?  
Would ye call in yer reekin' calamity crew  
And give 'em a rope and a drink'er two,  
And say, "Uncle Sammy, I done it fer you"?  
You betcha!

# III.

If you was chased by a million spies  
That danced in yer ears and bulged yer eyes,  
And made ye see glass in yer cranberry pies,  
What'd ye do, bo,  
What'd ye do?  
Would ye even it up with the folks next door,  
And tell the fy cops to go in an' explore  
An honest man's home, for munitions of war?  
You betcha!

# IV.

If you was in wrong with all of the boys,  
And they didn't fall fer yer kind a' noise,  
And ye just sort'a lost yer equipoise,  
What'd ye do, bo,  
What'd ye do?  
Would ye call 'em traitors and take yer stand  
At the White House gate with yer flag in hand,  
And pose as a patriot noble and grand?  
You betcha!

# V.

Or if they needed ye in the ranks  
And ye sent yer relations, all, with thanks,  
And the juice ran down in yer hot-air tanks,  
What'd ye do, bo,  
What'd ye do?

[Laughter.]

Would ye shout yer buncombe over the sea,  
And grabbing the Starry Banner, free,  
Still pull down yer pay from the Treasury?  
You betcha!

[Laughter.]

# VI.

Maybe ye would, but disposed to do right  
And help, with the rest of us, win this great fight,  
Forgettin' the lure of the calcium light,  
Here's what ye'd do, bo,  
Here's what ye'd do:  
Y' would stand by the job 'til the big work was done,  
Giving cheer and support to the man with the gun,  
Keepin' all the ranks closed 'til the triumph was won,  
That's what ye'd do, bo,  
That's what ye'd do.

[Applause.]

# MORAL.

Here's the moral, good friends, this recital would teach:  
Let us rather make good than rely upon speech,  
Instead of self-praise and the splitting of hair  
Keep busy and back up the boys "over there."

The cheapest of patriots under the sun  
Is the fakir who brags about what he has done;  
But meaner than he is the sanctified sort,  
Who plays up suspicion to stand well at court.

True patriots, then, will first yield to the Nation,  
No matter how high or how low is their station;  
And standing together, grown stronger and wiser,  
Make victory sure o'er His Menace the Kaiser.

[Loud applause.]

I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back six minutes.

Mr. MEEKER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. MEEKER. Is this field day in the District?

The CHAIRMAN. The Chair does not think that is a parliamentary inquiry, he will state to the gentleman.

Mr. DAVIS. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. Cary].

Mr. CARY. Mr. Chairman, I do not think I will use the five minutes, but I would like to have this letter read for the benefit of the House.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

S26 SOUTH DAKOTA STREET,  
Butte, Mont., April 26, 1918.

Hon. WILLIAM J. CARY, M. C.,  
Washington, D. C.

DEAR SIR: We, the members of the Good Government Club of Silver Bow County and the Boosters' Clubs of the city of Butte, State of Montana, respectfully call your attention, and through your attention of the entire delegation of your State in the United States Congress, to the resolution unanimously adopted by the above-mentioned bodies relative to the treatment accorded our first Congresswoman from the State of Montana by the self-appointed and self-constituted committee of superpatriots, who in defiance of the provisions of various war measures duly passed by our Sixty-fifth Congress and approved by the President of the United States, assumed the power to interfere with the Government in its prosecution of the war through their attempted prevention of the presentation of the cause of our Government in this the third liberty loan by the aforementioned Congresswoman, Miss JEANETTE RANKIN.

In spite of the treatment accorded Miss RANKIN, she earnestly urged that the petty tyranny of local autocrats might not interfere with the enthusiasm for this war for world democracy. She pleaded against any feelings of bitterness toward the Government because the taxpayers of Silver Bow County had been denied the right to use their own school building for a patriotic meeting. Her eloquent appeal for the third liberty loan was enthusiastically cheered and liberally responded to by the purchase of liberty bonds by the shivering crowd.



The resolutions as unanimously adopted read as follows:

"We, citizens residents, and voters of the county of Silver Bow, State of Montana, through the Good Government Club and the Boosters' Clubs, hereby adopt the following resolutions:

"We most heartily condemn and disapprove of the action of the committee having in charge the meeting held in the Broadway Theater on Wednesday evening, April 17, 1918. Despite the fact that Miss JEANETTE RANKIN, who is the duly elected Representative of the State of Montana to the National Congress, was here on the said night speaking in behalf of the third liberty loan, the committee in charge, and particularly the chairman, refused to allow Miss RANKIN to address the meeting. Not only that, but the committee, through its chairman, absolutely prevented Miss RANKIN from making a speech on the third liberty loan in the auditorium of the Butte High School after arrangements had been made for same.

"We wish to call the attention of all citizens to the fact that the Butte High School was built and is being maintained by the citizens and taxpayers of Silver Bow County, Mont., and that the auditorium of the high school is used and should be used on all occasions as a public forum. The committee, through its chairman, compelled Miss RANKIN to speak on a 1-inch rail of the high school fence in the slush and cold of a raw April night.

"We believe that while we are fighting the autocracy of Europe we should not be ground under the heel of the local autocracy of Silver Bow County, Mont. As we are dedicating our lives and property to the cause of democracy in Europe, we should dedicate a little of our efforts to see that democracy is kept alive at home.

"The noble work which the women of America are doing in this war in the selling of liberty bonds, thrift stamps, in Young Men's Christian Association work, Red Cross work, and the giving of their sons to fight the battles of democracy is enough to guarantee the women of this country the right of franchise and of free speech, without the prevention by alleged patriots who are attempting to regulate the business of the war to their selfish purpose.

"The boasted chivalry of American manhood, which we have been taught from our mothers' lips, was sadly lacking at Wednesday evening's action of the local committee in charge of the third liberty loan, and we feel that Butte has suffered a disgrace thereby unparalleled in all her history."

BOOSTER CLUBS OF BUTTE, MONT.  
GOOD GOVERNMENT CLUB OF SILVER BOW COUNTY,  
By Mrs. H. N. KENNEDY, President.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. CARY. Yes, sir.

Mr. WALSH. What does the gentleman, who has had the communication read to the House, propose to do about it?

Mr. CARY. I asked that it be read for the information of the Members of the House. As a Member of the House I thought the lady was entitled to that.

Mr. WALSH. Does the gentleman propose any action on the part of the House?

Mr. CARY. Not at all. It was just for the information of the House.

Mr. Sisson. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. BORLAND].

Mr. BORLAND. Mr. Chairman, events have shown that in August, 1914, the only great nation in the world prepared for war was the Empire of Germany. Universal military service, extending through more than two full generations, had made its man power immediately available. It was the greatest manufacturer of munitions and scientific weapons that the world has even seen, and the Krupp cannon and the Mauser rifle had made it the profit taker of every war. It lived in an atmosphere of militarism. Its roads, its bridges, its canals, its railway lines, its rivers and harbors, its laboratories, its manufacturing, its industrial system, its natural resources, even its foreign-trade relations, were all constructed, adjusted, and developed in anticipation of "the day" when it should feel strong enough to make war upon civilization.

No nation was threatening the safety or integrity of the German Empire. No nation was in a position to threaten it. Thus the page of history is clearly written.

By the same logic of events we now know that of all the great nations in the world the least prepared for war on that day was the United States of America. We had no adequate Army. Our Army numbered barely 85,000 men for a Nation of a hundred million people—too small to police our shortest international border on the Rio Grande. And yet that Army had grown in expense as it had decreased in relative value until it was costing this country every year 50 per cent as much as the 5,000,000 armed defenders of Germany.

We had no adequate Navy. We had endowed our Navy with appropriations more liberally than any nation except England, the mistress of the seas, and yet we were told that we were in fourth or fifth place and that we could not successfully defend either the Atlantic or Pacific coast.

We had no merchant marine. The American flag had all but disappeared from the trade routes of the world. All of the surplus products of our country, all of the output of the energy and enterprise of our people must find its way abroad to market in foreign ships. We were excluded from the neutral markets of the world except as we could serve as hewers of wood and drawers of water for our commercial masters in Europe.

We were a debtor Nation. Millions of our securities were held abroad. Every year it was necessary for us to send tribute

across the water to redeem the interest on our debt; and if we could not pay in cash, as ordinarily we could not, we had to pay in raw materials—wheat, cotton, lumber, oil—draining our natural resources to feed the capital and labor of Europe. We were not adjusted to the full poise and power of an independent nation.

It is useless to inquire at this time who, if anyone, was to blame for this condition of national flabbiness. To my way of thinking, not the wildest flight of the imagination could charge it to the fault of the present administration. We may as well assume that the whole American people were to blame. The truth is that we had not been thinking along those lines. We had been engaged in developing a vast, undeveloped continent, and had not given our attention to the subject of national defense.

Germany is a nation of 65,000,000 people, inhabiting a restricted territory of somewhat limited natural resources. The United States is a Nation of 100,000,000 people, inhabiting a boundless empire of almost untouched natural resources. Our people are just as intelligent, just as resolute, and just as skillful as the inhabitants of Germany, and it is manifest that with an equal degree of thought and preparation this country, single handed, is more than a match for the German Empire in any national contest. [Applause.]

So the fact was that on that day we were less able to defend ourselves against an unprovoked attack than any nation that has ever claimed an independent national existence. When I say an "independent national existence" I mean one not guaranteed by treaties of neutrality, for we all know now what such treaties are worth.

When the blow fell, in the providence of God it did not fall first upon us. If it had, untold suffering and disaster would have resulted before we could have restored the balance. We would have restored the balance. We would have driven every invader from American soil and preserved inviolate every American right, but it would have been at fearful cost of blood and treasure.

It is true we had begun to realize somewhat our need for national unity and strength. We had created the Shipping Board for the purpose of attempting to restore in an experimental way the merchant marine. We had created the Federal Reserve System to abolish panics and to place 12 great reservoirs of credit at the service of American commerce. And we had created the Tariff Commission, designed to take the tariff out of politics and to study in a scientific way the great interchange of commodities between nations and its effect upon industrial progress.

But no steps had been taken toward adequate national defense, except the passage of the national-defense act in June, 1916, which had not had time to go into effective operation prior to our entrance into the war.

When on the 6th day of April, 1917, we entered this war against the most scientific enemy the world has ever seen we were armed only with that magnificent and irrepressible optimism or egotism, whichever we may choose to call it, which is such a distinguishing trait of the American character. It is the feeling that Uncle Sam "can lick the hull of creation," with one hand tied behind his back. It is a valuable trait; we would not be without it for the world. It is responsible for much of our enterprise and our success; but it is not the only weapon that soldiers need in such a war as we had challenged.

We had to create an army after war was declared. Nay, we had to create a military system adapted to the needs of a free people, for we could not even build upon the foundation stone of the Army that we had. It was not a question of increasing the size of the standing Army, for no standing Army would have been adequate to the emergency.

I remember nearly a year before war was declared we had a spirited debate in the House of Representatives, which grew quite bitter at times, over the question whether the standing Army of the United States, a Nation of a hundred million people, should consist of 175,000 or 225,000 men. It hardly seems possible that men could get excited over so small a difference of opinion, yet those of us who voted for the higher number were denounced as "dangerous militarists." Now, we know that neither 175,000 nor 225,000 men are sufficient to storm the enemy's trenches before breakfast in the morning in such a war as we are now waging.

Finally, the solution of the problem came to us and came to the thought of the Nation, and that was that every qualified man of military age was part of the fighting force of his country. If a country is worth having, it is worth defending, and if it is worth defending it is as much one man's duty to defend it as it is another man's duty.

We must have a military system based upon the whole man asset of the Nation, as our banking system is based upon the

whole commercial asset of the Nation, and capable of contracting and expanding as the demand upon it diminishes or increases. This is the only military system worthy of a free and intelligent people. They told us that we could not raise an army by selective conscription in the United States; that the people would not submit to such a system; that it would take an army to raise an army, and therefore Uncle Sam could never have an army; that if we attempted to enforce conscription there would not be jails enough in the country to hold the draft resisters, and we would have to build stockades and bull pens to keep the prisoners in.

Ah, the men who so argued and who so thought had failed utterly to sound the profound depth of patriotism of the American heart! We did try conscription; the 5th day of June, 1917, is a red-letter day in the annals of the American Republic—a day that will be taught to school children from now on to the end of time. On that day, on a single day, between the rising of the sun and the going down of the same, in a Nation of a hundred million people scattered over 3,000 miles of territory, in 48 sovereign States, nearly 10,000,000 red-blooded young Americans stepped forward from the ranks of the people and enrolled themselves to defend the same flag! Where were those draft resisters? Why, there were not enough of them among a hundred million people to get up a real good, first-class street-corner brawl. The great mass of the American people was loyal to the core.

Where is the country, large or small, that ever put the patriotism of its people to such a test? All the annals of history reveal no parallel. On that day the life of the Republic was thrown into the hands of its citizens. The right of democracy to survive among men was put to its supreme test. We said to the Nation: "This day, from the time the sun rises in the east until it sets in the west, there is no sovereign over the heads of the American people. You are in the presence of our armed foe. Your flag has gone into battle. Come forward and defend it. If you do not defend it, it will go down. If any considerable number of you resist, your Government has not the bayonets to force you into subjection. The fate of free government is in your hands."

Thank God for the spontaneous and loyal response of the American people. It was worth being alive to see. Every nation, the oldest, the richest, the proudest, has its dark corners, its disaffected sections, where the mandate of the law must sometimes stay its hand—every nation but our own. The even hand of equal democratic justice can reach into every nook and corner of Uncle Sam's vast domain under the light of a single sun. [Applause.]

On this principle of democratic equality our army was formed. And such an army! Drawn from every home and every fireside in this land; from every trade and occupation; from every race, from every kindred, and from every tribe that make up our people. I have seen that army in a score of camps throughout the United States; and I say to you that for courage, for discipline, for intelligence, for moral character, no finer body of men was ever gathered under any flag in the history of the world than will fight the battles of democracy under Old Glory for Uncle Sam. [Applause.] I place that army on your hearts and commend it to your prayers. [Applause.]

We were fortunate in this crisis in our Nation's history in having in the White House as the executive head of our Government a man big enough to grasp big problems in a big way, and who has shown himself in every emergency a big leader of a big people—Woodrow Wilson, President of the United States. [Applause.]

That army needed arms and equipment. All the resources of the Nation are pledged to its support. Our boys can not fight barehanded. Without ample weapons the most reckless courage that ever fired the heart of man would never reach the front line of the enemy's trenches in such a war as this. It needed rifles and ammunition, artillery and shells, blankets and tentage, hospital supplies and medicine, food and uniforms, motor trucks and transportation and aeroplanes and submarines, and ships, and transports, and convoys, and submarine chasers.

During the summer of 1917 the problems of preparation rolled in upon Congress like a veritable tidal wave. We had not only to create an Army, we had to officer it, and train it, and house it, and feed it, and clothe it, and arm it, and equip it, and transport it. And coincident therewith we had to find the money for financing these unprecedented expenses.

All this takes money. I would not vote, I repeat, I would not vote to conscript American boys and send them to the firing line in France to risk their lives and limbs in defense of their flag—perhaps to pay the last supreme sacrifice that a man can pay—and then refuse to send after them every dollar of American

money necessary to make them victorious and successful in the struggle in which they are engaged.

In the last few months full many a noble-hearted American mother, with a brave smile on her lips, has stood at the door of her little home and waved a smiling "good-by" to her boy until he disappeared in the turn of the road, and then she has gone back into his silent bedchamber and buried her face in his empty pillow and sobbed out the anguish of her soul before the throne of Almighty God. Thousands of us have seen the smiling good-by from the doorway, but perhaps only the Great Father of us all has viewed the scene in the little bedchamber. I feel and believe that there was no bitterness in that mother's tears. There was even a high pride and joy that her boy could go and did go and wanted to go to do a man's part when his country called him. She would not have called him back: if she could, nor would she have had him falter and turn back for anything on earth. There was just one thought, one wish in that mother's heart—that the arms of a mother's love might be around him as he went into camp; that he might be cared for and protected to the limit of human fidelity.

She can not provide for her boy in camp, but you and I can do it, and we must do it. It would be a crime upon our souls if that Army of ours met disaster by the negligence, the selfishness, or the cowardice of those in power. All the sacrifice of this war must not fall on the boys who go to the trenches. There is a large measure of sacrifice for those of us who remain at home. They are fighting our battles. They are defending our flag. They are saving our institutions, and no sacrifice on our part is too great to measure theirs.

We are going to conscript not only your boys, we are going to conscript your money; we are going to conscript your love and your sympathy and your prayers.

I should like to enter in detail into the problems of preparedness. We hear so much of the few things that have not been done that we lose sight of the mighty miracles that have been wrought. Suffice it to say that every American soldier that lands on the soil of France and goes to the front under the command of that gallant Missourian, Gen. John J. Pershing, will be better armed and equipped from top to toe than any soldier that ever set foot in tented field since the dawn of history. We had no illusions on the subject of the magnitude of the task when we entered this war. We knew that three years was the minimum in which to bring the contest to a successful conclusion. We knew it would take one full year to create and place an Army in the field, and we knew it would take at least that long to arouse public spirit and provide what may be called the mental equipment of the Nation. We knew it would take a full year to turn Uncle Sam—good-natured, easy-going, indulgent old Uncle Sam—into a first-class fighting man; and it has taken a year. We knew it would take the full season of 1918 to fight, if possible, a few successful battles, and we knew it would take the full year of 1919 to bring about a satisfactory peace. At that time the collapse of Russia had not taken place. In that regard the situation is less favorable, and Germany may be stronger to-day than when we declared war. We do not count upon the backdown of Germany, and we may as well let her know that we listen to no such insidious whisperings.

We count upon the righteous wrath of an aroused and powerful people to meet her and match her and overmatch her in the field. It will be time enough to talk peace when the armies of the Hun are sent hurling back through France and through Belgium to within the confines of Germany.

Thousands of our boys are to-day on the firing line in France. Thousands are on the gray Atlantic. Thousands more are in the training camps ready to go. For many of them the time has already arrived when we may not draw aside the veil of silence and tell the people even where those boys are or how they fare. With that time at hand, with those boys facing the bullets of the foe in front, they have a right to feel that you and I will see to it that they are in no danger of an attack from the rear; that you and I will not permit any set of people back here to pour the poison of sedition into the veins of good old Uncle Sam.

During all of this time when the life of the Nation was in peril, when the storm of war was gathering over the head of our devoted country, when our safety was menaced by foes within and without, when true patriots were drawing closer together that we might know who stood for "America first," there were not lacking those who sought to confuse public opinion, to tear down American ideals, to becloud the luster of American honor, to destroy the unity and strength of the American Nation, and to spread doubt, discord, and class hatred among our people. They sought to array the farmer against the city man, the laborer against his employer, and the foreign born against the native born—anything to foster discontent and to weaken the arm of Uncle Sam.



A widespread, insistent, and insidious propaganda was carried on to this end. We may know by evidence in the possession of our Government where this propaganda originated and how it was carried on. Some of the propositions were very plausible and deceived many good men. While the danger was at its height I got hundreds of letters and telegrams from my own district on these various propositions. Some of them were from people in whom I had the utmost confidence. I did not assume that my sense of patriotism was a bit higher than theirs, but I did know that I stood a little higher up the mountain side and had a little wider sweep of the horizon, and could see a little clearer where these propositions came from. They all came from the same sinister source and all tended to the same disgraceful end.

The first proposal was that Congress should declare an embargo. They wanted us to close American ports, to destroy our commerce, to let our goods rot upon the wharves, to sit down in bankruptcy and despair, and for what purpose? In order that the nation that had deliberately prepared for this war should have an insuperable advantage over the nations that had to buy their supplies!

Then it was urged that we refuse to permit merchant vessels to arm against the pirate submarine—for the submarine is a pirate. It is not a vessel of war. It is not a part of a fleet. It does not go out seeking an armed enemy. It never attacks an armed ship if it knows it. It attacks unarmed ships, ships of commerce, loaded with merchandise, with passengers, with women and children.

Then we were asked to forbid American citizens from traveling on armed vessels of commerce, and this meant that we should become a hermit Nation, that our people could not travel abroad at all, for we had no merchant marine, and our sole reliance in most cases for foreign travel was upon the ships of the English and the French.

In a similar way, it was urged that we should in no event send troops abroad to fight the enemy, that we should wait until murder and rapine were brought to our very doorway. I can not believe that any right-thinking man really wants to see that. For my own part, as long as I have any official responsibility in the destiny of this Nation, we shall be prepared to meet and defeat every foe beyond the bounds of our own country.

Congress has indignantly repelled all of these suggestions and has kept its eye fixed upon the bright guidon of national unity and national honor.

To me the parting of the ways came more than a year before the declaration of war. On the 24th of February, 1916, a former chairman of the Committee on Foreign Relations of the Senate of the United States wrote to President Wilson demanding that American citizens be forbidden to travel on armed ships of commerce. President Wilson refused, and in that refusal he struck what is to me the high note of American statesmanship and American honor. The President pointed out that he had thus far succeeded in keeping the country out of war, and that the people well understood his purpose in that regard, but that the undersea campaign of the Germanic allies was making it increasingly difficult to maintain peace with honor under the rules of international law; that the acts of the rulers of Germany were so widely different from their promises that it was difficult to reconcile the one with the other, but that he still hoped that some explanation might be found for their conduct.

He then continues:

But in any event our duty is clear. No nation, no group of nations, has the right while war is in progress to alter or disregard the principles which all nations have agreed upon in mitigation of the horrors and sufferings of war, and if the clear rights of American citizens should ever unhappily be abridged or denied by any such action we should, it seems to me, have in honor no choice as to what our own course should be. For my own part I can not consent to any abridgment of the rights of American citizens in any respect. The honor and self-respect of the Nation are involved. We covet peace and shall preserve it at any cost but the loss of honor. To forbid our people to exercise their rights for fear we might be called upon to vindicate them would be a deep humiliation, indeed.

Aye, it would. To say to an American citizen that he may not exercise the rights of a citizen of a sovereign State; that he may not travel beyond the bounds of his own country upon errands of commerce, upon errands of science, upon errands of mercy, or even as the diplomatic or consular representative of his own Government except at the peril of his life, for fear, forsooth, that his Government might be called upon to vindicate his rights as a citizen, would be an indelible stain upon American honor.

Why, a year before that, on May 13, 1915, after the sinking of the *Lusitania*, when we warned Germany that she must not attack noncombatants on the high seas, our Secretary of State presented the same principle. He said:

American citizens act within their indisputable rights in taking their ships and in traveling wherever their legitimate business calls them upon the high seas, and exercise those rights in what should be the well-

justified confidence that their lives will not be endangered by acts done in clear violation of universally acknowledged international obligations, and certainly in the confidence that their own Government will sustain them in the exercise of their rights.

Why, when the blow fell, it became apparent that the path of dishonor would not have been the path of safety. On February 1, 1917, the Imperial German Government issued its mandate that it purposed to sink all ships, armed and unarmed, friendly and belligerent, without regard to their character, their contents, or their destination, if it found them upon the high seas. When that occurred, when the black flag had been hoisted against civilization, the President of the United States came before Congress and he gave it one clear message. The men of Congress, without regard to political affiliations, responded with one vote and the American people have ratified it with one voice, and that is that the sovereign rights of American citizens shall be protected anywhere against any nation on earth! [Applause.]

When we entered this war, therefore, we entered for the defense of the undoubted rights of the American people under every principle of international law; rights we were able to defend when we were a weak and struggling Nation, and are we less able to defend them now that we have grown strong and great? We are for peace; but as President Wilson has said, the right is more precious than peace. If it were not so, we would not to-day be the independent Nation that we are.

We fought England, our motherland, a second time in 1812 for less outrages upon our citizens at sea than we have suffered at the hands of the German Empire. England never claimed the right to sink our ships, to destroy our property, to murder our citizens. All she ever claimed was the right to search our ships for deserters from her own navy, and we would not even permit her to do that, although she was the nearest blood relative we had on the globe.

There were high-minded men in this country that thought we should have gone to war when Belgium was invaded. There were dauntless spirits who thought we should have intervened when the *Lusitania* was sunk; but the great majority of the American people preferred to tread the path of peace and neutrality as long as it could be trod with honor. But when we entered this war on the 6th day of April, 1917, we entered clothed not only with the white garment of humanity but with the invincible armor of a strict legal right under every acknowledged principle of international law. This is America's war whether it is anybody else's war or not. Let there be no confusion of thought in any man's mind on that subject.

Our Army goes abroad primarily in vindication of American rights, rights as old as the history of our Republic. But it so chances in the mighty movements of the world's history that our boys go with another and a higher mission. They are the foremost champions and natural defenders of the cause of democracy, the rights of humanity, and the safety of free institutions. We find ourselves allied with all the free governing nations of the world, opposed to the last remnant of autocracy and the miserable sacrilege of the divine right of kings to rule their fellow men.

Democracy must demonstrate its right to live, and to do this it must demonstrate its power to live. It is manifest that if a military autocracy is the only strong and efficient form of government, if it is able to impose its will upon other nations, then it is the only safe form of government, and all men must come under a military autocracy. Democracy can only survive by proving that it is stronger than any other form of government, that it has a stronger hold upon the hearts and minds and purses of its citizens than feudalism.

I am enough of an American to believe that free government can not perish from the earth; that Americans to-day are imbued with the spirit of '76 and are ready to devote "their lives, their fortunes, and their sacred honor" upon the altar of their country's cause. One hundred and forty years ago, when our fathers founded this little Nation upon the fundamental principle of the equal opportunity of all men before the law, some of the boldest of them may have dreamed that it would one day grow into an independent Nation.

But I take it that not even the wildest dreamer among them would have imagined that it would grow into the great, powerful, rich Nation into which it has grown. Equity and opportunity have drawn to these shores millions of liberty-loving men from every land and clime. Loyalty is not a matter of race or creed or lineage or birth; it is a matter of the heart. The true American is loyal to American ideals. The immigrant's son when he puts on the khaki uniform and shoulders his rifle and marches away under the Old Flag of the Union is just as good an American as the man who counts six generations to the Pilgrim Fathers of New England.

I affirm that if there is any man in America who really believes in the divine right of kings to rule their fellow men, he

does not belong under the Stars and Stripes. He ought to get under some other flag. [Applause.]

When our fathers founded this Republic upon the principle of the equal right of all men to govern themselves and to choose the form of government under which they should live not a nation on earth was willing to admit that we could make a success of it. To-day four-fifths of the civilized nations are glad to join hands with us upon the American platform of the rights of man. The American principle has become the dominant political thought of the age.

Our boys will not fight alone. They will fight for the first time in our history with our motherland of England and with our Canadian cousins, from whom we have been too long estranged. They will fight with France—gallant old France! That came so promptly to our aid in the days of our Revolutionary struggle; that sent us Lafayette and Rochambeau; that lent to our starving and destitute Nation millions of money and waited our good time to pay it back, and then remitted all the interest. They will fight with Italy, the home of art and song; with Belgium, bleeding Belgium, ravished to-day by the Huns; with Poland, dreary, desolate Poland, where, under the benign influence of Prussian kultur, all the little children under 10 years of age are dead and rotting by the roadside; with Christian Armenia, ground beneath the bloody heel of the unspeakable Turk; and with Russia, that great Empire just emerging from the darkness of ignorance and misrule into the sunlight of self-government. But if this great Republic with 140 years of freedom can not defend its principles and its people, why should Russia care to be a republic after all?

Our boys will fight under no feudal banner, under no royal ensign, under no flag typifying the divine right of kings to rule. They will fight under Old Glory, the flag of the free. Those boys are imbued with the spirit of 1776. If we support them, they will defend that Old Flag and carry it to victory. They will restore it to us with added luster and added glory. They will not stain it with inhumanity or dishonor, and they will not bring it back until they have made the Kaiser see the Stars and feel the Stripes of a free people.

What that Old Flag means to us we want it to mean to all the world. We have seen that flag through all the dark days of our infant struggle, through starvation and suffering, through privation and peril, through disaster and defeat, until the black midnight of Valley Forge burst into the cloudless dawn at Yorktown. We have seen it wave in victory over Perry at Lake Erie and above the dauntless achievements of Andrew Jackson at New Orleans. We have seen it triumph at Monterey, at Buena Vista, at Cerro Gordo, and at Chapultepec. We have seen it sway to and fro in the mighty storm of the Civil War. We have seen it at the high-water mark of that great struggle upon the field of Gettysburg, where for three long days under the burning sun of July the brothers who wore the blue and the brothers who wore the gray hurled themselves against each other in fratricidal strife until they had proven to themselves and to all the world that they were one in courage, one in race, and one, thank God, in destiny.

We have seen it with Dewey at Manila Bay and with Sampson and Schley at Santiago. And we shall soon see that same Old Flag, a star of hope to the suffering world, carried in triumph across the bleeding fields of France and Belgium, until it is planted in victory and in permanent peace above the last stronghold of feudal power in this world.

Will peace come? Aye; peace will come, but it will be no premature peace; it will be no patched-up peace; it will be no armed truce leading to another awful struggle. It will be no peace with a despot who claims a partnership with Almighty God.

It will be no peace with a monarch who regards the most solemn international obligations as mere scraps of paper.

It will be a peace founded upon the deep faith of nations; a peace between average men; a peace sealed by the voice of the people, above and beyond which we Americans acknowledge no power beneath the throne of God.

Will peace come? When? Peace will come, as President Wilson told the Pope, when the flag of feudalism goes down forever in this world. [Applause.]

Mr. Sisson. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. Gallivan].

Mr. Gallivan. Mr. Chairman, before beginning I ask unanimous consent to extend, revise, and correct my remarks in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend, revise, and correct his remarks. Is there objection?

There was no objection.

Mr. Gallivan. Mr. Chairman, many of us here in the House have at one time and another been deeply interested in the ques-

tion of our soldiers' mails. We have seen one department, in the parlance of the day, pass the buck to another department in an effort to evade the responsibility for an unaccountable delay in the transmission of mail to our boys who are now over there. To my utter surprise and consternation I read in the newspaper a few days ago that an American general, who had been interviewed on this question of soldiers' mail, said that the disturbance which was being raised here in the Congress of the United States was all uncalled for, was a waste of time, and that so far as his men were concerned they were there to fight and not to read letters from home.

Now, I rise at this moment particularly to bring to the attention of the House by contrast the statement of a Massachusetts colonel, now in France, who headed the first State unit of militiamen that ever left this country for service in the present European struggle.

On the 7th day of last September a Massachusetts regiment sailed from an American port. I had the proud distinction and the great privilege of witnessing the departure of that fine regiment of boys from the old Bay State; its colonel has been my lifelong friend; its present membership is composed of what was originally two Massachusetts State militia organizations. As I said before, it was the first State organization to leave America for this war. It is known now as the One hundred and first Infantry. It was formerly the Fighting Ninth and the Dandy Fifth of Massachusetts. Its colonel, Edward L. Logan, a brave, self-sacrificing, devoted young Bostonian, who had graduated from Harvard College, who had acquired a splendid law practice, left here at the head of that regiment, and his regiment was selected because at that time it was the only State regiment in this country which was ready for foreign service. I do not say this in disparagement of the other splendid State troops which have since embarked from these shores, but it even preceded the Rainbow Division about which we have heard so much and from which we have heard so much since the Rainbow Division was sent to France.

For almost eight months these boys from my State have been under the colors in war-torn France. After months of daily instruction in the very latest tactics of modern warfare they were sent to the firing line some eight weeks past. Day and night their gallant colonel has lived with his men and has worked for his men. He ought to know, and he does know, how his men feel on this question of letters from home. His men, their comfort, their well-being, their happiness, under prevailing conditions, are his first concern. He stands by his men all the time and they loyally and devotedly stand by him.

What does Col. Edward L. Logan say in contrast to the Regular Army general, who says that his men are in France to fight and not to read letters from home? I have the message from him, and he lays particular emphasis on this question of the soldiers' mail. Yesterday word came from Col. Logan, and speaking of his boys, most of whom live in my congressional district, I am proud to say, he says:

Tell the mothers that I am doing my best to keep the boys in fine condition, and that the One hundred and first is grateful for all the things done for us by the folks back home. Say that the boys are in excellent health and spirits, but, above all, tell them over there to write and then write some more. Tell them not to wait for the boys to answer; we may be in the trenches all the time. Please tell them to keep in mind that there is nothing in the world so consoling to our boys as to hear from home.

[Applause.]

There is the story of a Massachusetts volunteer colonel now and for many months past right in the midst of things. His regiment has been in action now for over six weeks, and there has not been a single company in the regiment that has not lost some of its men. Already many of the boys have made the supreme sacrifice. Many others have been listed among the wounded. Their colonel has said the most consoling influence of all is found in the letters from those who are keeping the home fires burning. And when any colonel or any general in the American Army over there—I do not care how high or how low his station—says that his men are there to fight and not to read letters from home, I believe that some notice ought to be taken of that statement here in the Congress of the United States, even if it is but that of quoting what he has said. He ought to be jacked up and at once.

Mr. Shallenberger. Mr. Chairman, will the gentleman yield?

Mr. Gallivan. With pleasure.

Mr. Shallenberger. I would call the attention of the gentleman to the fact that not only is Massachusetts entitled to the honor which he has mentioned, but, according to the reports in the public press, the first body of American troops to be complimented for bravery in battle by a foreign commander was a Massachusetts body of soldiers. [Applause.]



Mr. GALLIVAN. I thank the distinguished gentleman from Nebraska. He has but anticipated what I am going to read about another Massachusetts regiment, most of whose boys come from the district of the distinguished acting leader of the minority party, my colleague, Mr. GILLET. "One hundred and twenty-two Massachusetts boys win crosses" read the headlines in all the press of the country yesterday. "Bravery of One hundred and fourth Regiment recognized by France."

In recognition of the bravery of Massachusetts troops in the recent battle of Apremont, the French Government has decorated 122 men, mostly of the One hundred and fourth Regiment, with the cross of war, according to dispatches from army headquarters in the field received in Boston yesterday.

Two chaplains—

One a Catholic priest and one a Protestant minister—

are among the leaders in the honor list and receive high praise in the French citation. Every rank, from captain to private, is included in the roll. The French general making the presentations, according to the dispatches, said, in speaking of the One hundred and fourth Regiment, "It showed the greatest audacity and a fine spirit of sacrifice. Subjected to very violent bombardments and attacked by large German forces, it succeeded in checking the dangerous advance, and took, at the point of the bayonet, in a most vigorous way, prisoners and some demolished trenches from which it had fallen back at the first assault."

I want to read to you what these two chaplains were especially cited for. Chaplain John B. Des Valles, of New Bedford, had this said of him by the French general:

With extraordinary heroism and exceptional devotedness to duty, under uninterrupted fire and at the constant risk of his life, he did not cease to tender aid to the wounded, and he encouraged to renewed efforts the men who were weakened in hard fighting.

He was the Catholic priest. Here is what is said of the Protestant chaplain, Walton S. Danker, of Worcester:

At the time of the attack particularly noteworthy was the devotedness and spirit of sacrifice with which he attended the sick and wounded and bestowed the last rite to the dead. Facing the enemy from April 2 to April 14, particularly on April 10, 12, and 13, he remained in the front-line trenches, encouraging the men during the clash.

Those are two Massachusetts clergymen. God bless them and keep them! I said that practically the entire One hundred and fourth came from the district of the distinguished minority leader [Mr. GILLET], yet I ought not to forget that perhaps every district in Massachusetts can claim some of these boys, and I am glad to be able in this hour to bring to the attention of Congress—and I am thankful to the gentleman from Nebraska [Mr. SHALENBARGER] for suggesting it to me—that this great honor has been conferred on a body of Massachusetts brave boys, and I do not believe that in the history of any war any such distinction ever came at such an early time in the conflict to any regiment.

Col. Logan's regiment has also had honors bestowed on many officers and privates. The war crosses appear on the uniforms of many of his brave boys, and, oh! how proud my people are of that regiment, first State unit to go overseas and first to reach the firing line.

Mr. Chairman, as I said I rose to refer to the question of soldiers' mail, and to quote what Col. Logan, of the One hundred and first Regiment, had sent home here, and I sincerely hope that the efforts of all those Members of Congress who have taken this matter up will not fail.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. GALLIVAN. Yes.

Mr. ROGERS. I notice in yesterday's Boston Post a report of the return of the Massachusetts mission sent over there in connection with establishing a registration point for Massachusetts soldiers, and that former Lieut. Gov. Frothingham, a member of that commission, states that he found among all the Massachusetts troops and among the troops generally of the American Expeditionary Forces that the mail service was the one thing that gave them more grief and more anxiety and more trouble than any other single thing.

Mr. GALLIVAN. I want to say to my colleague that I have the same information, and in his absence I read a letter from Col. Logan, of the One hundred and first Regiment, in which he pleads that the folks at home write and keep writing and that the mail service be, if possible, improved. We all want action now.

I want to say something while I am on my feet, Mr. Chairman, about the entire Postal Service to-day.

The past three or four years have seen a steady decline of service efficiency in the post office. So bad have conditions grown that complaint has come from all parts of the country and from all classes of people. Everybody knows it; everybody has felt its disturbing effects. Editorial and news columns of the public press teem with the subject; few Members of this House but what have received many letters of complaint and instance after instance has been related on this floor all tending to show the growing demoralization of the service. Something

is radically wrong and it is a condition which can not be permitted to long continue unchecked.

Eventually the department, admitting that something was sadly the matter, tried to explain by laying the blame on the railroads. Of course, time schedules are out of joint, but this does not explain the wretched local delivery, nor does it explain the discouraging mail service given the soldiers abroad or in the cantonments at home. In fact, instead of the railroads being solely to blame, it can be stated with good show of reason that the excessive time consumed in discharging and loading mail at way stations, due to an inadequate working force, is largely responsible for delayed passenger-train service. We will have to look beyond the railroads to locate the trouble.

#### THE PROFIT IDEA.

An unbiased and impartial inquiry will lead any investigator to but one conclusion, and that is the present administrative policy of the Post Office Department is responsible for existing evil conditions. In a mad effort to force a postal surplus, and in so doing to play upon a mistaken impression held in some quarters that a profitable service means an efficient one, the Post Office Department, under the guise of economy, has instituted cheeseparing practices and penny-wise and pound-foolish methods until a heretofore excellent service has been disorganized beyond recognition.

In attempting to run the post office on a profit basis when neither the people nor Congress indorses such a policy is a grievous mistake, and to this fundamental error can be traced the multiplied shortcomings of the existing system. This fallacy has impregnated the whole structure with the idea that cost is everything, and this philosophy ramifies through and hangs like a pall over its diversified workings, affecting alike the administrative and operating ends of the business.

Instance after instance could be cited to show how fully these statements square with the facts and how, as a result, the entire service breaks down in an emergency. Instead of making a general survey of the entire service, however, I will content myself by confining these remarks to an analysis of the way the postal profit system works in practice and its ultimate effect upon the city delivery division, a part of the service with which I am most familiar. Similar conditions to those described here exist in all other branches proceeding from the same primary cause.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. GALLIVAN. Certainly.

Mr. MOON. In his criticism of the Post Office Department, does the gentleman not think it would be fair and proper for him to state that in the interest of the prosecution of this war, in order that the freights might have the right of way for the transmission of munitions of war and of soldiers, it has become necessary to take off about one-half of all of the mail trains heretofore used in the United States in the transmission of mail?

Mr. GALLIVAN. The gentleman has stated a fact. I am glad to get that information. I do not know what percentage of the mail trains have been taken off. I am always glad to be informed, and there is nobody in this House who can give us more information upon the subject than the distinguished chairman of the Committee on the Post Office and Post Roads; but my criticism still holds, despite that fact. Before the war our postal system was starting on its backward course. Let us examine into some of the causes.

#### THE EFFICIENCY SYSTEM.

Post-office clerks and city letter carriers distribute and deliver the mails arriving at free-delivery offices, and they are employed on an eight-hour day basis. This is highly important work, and service efficiency demands that the operating plan of organization be so framed as to facilitate distribution and to insure an unflinching observance by the carrier of regular delivery schedules. Owing to the fact that the daily volume of mail varies to a certain extent, which in post-office terms are known as light and heavy days, instances occur wherein the carrier completes his regular tour of duty in time somewhat less than the full eight hours. Of course, the carrier on such days performs all the work assigned him, but some one in the department at Washington, noting these instances of "undertime"—a technical term since invented by the department to define such cases—conceived the idea that some one was loafing or shirking and at once, for obvious reasons, set about to devise a system that would eliminate "undertime."

It must be apparent to the least familiar that this would be no easy matter. Mail varies in volume, and if the carrier was allotted all he could deliver on light days, when the heavier days come, as they do three or four times a week, and especially in certain seasons on the first few days of each month, naturally he would be overwhelmed by the increased burden. The serv-

ice would suffer, patrons would become discontented, and the carrier, worked to the limit on each and every day, would be lacking in energy and without reserve vitality to successfully handle the peak loads.

Prior to the system being changed the regulations governing carriers' tours of duty provided, in substance, that "all routes should be arranged so that they may be covered within eight hours." This plan worked to the satisfaction of all concerned; efficient service was given; patrons received their mail at regular intervals; and the health and vitality of the employees was kept at a high standard. Despite this gratifying showing, the efficiency experts at Washington demanded a change and change it must be.

#### THE STANDARD DAY.

Before the new system was placed in operation, however, the department mailed an order which, through the local postmasters, instructed the carriers to furnish certain data, which they were themselves to compile. This data consisted of the number of first, second, third, and fourth class pieces of mail handled on certain days, as well as the number of pieces of postage-due mail and registered matter. Once secured, such data became the basis of calculation on which the efficiency system was later founded.

Here is the way it was done: Adding the several items of mail handled and then dividing the total by the number of carriers and you have the average amount of mail, cased and delivered, per carrier per day.

So far so good. Then add up the time consumed by all the carriers on this day and divide the total by the number of carriers and you have the average time consumed per carrier per day.

Then multiply the number of carriers by eight hours and from this figure subtract the actual number of hours worked as totaled from the records and you have as a result an imposing figure of "undertime," which, if taken among 35,000 carriers, resolves itself into a most convincing argument, favoring the inauguration of an efficiency system to conserve this time.

But this does not complete the system by any means. It is now necessary to compute the time of the carrier by offices. A force of inspectors visit a post office and, on the basis of the above calculation, compute the "undertime" that has occurred in this office during some recent period. Armed with this figure obtained, they then call upon the postmaster, have the supervisory officers brought in, and confront these officials with the damning evidence of their own infamy.

Accordingly the amount of "undertime" having been totaled, routes are ordered rearranged so as to provide for a full eight hours' work on each day. If, for instance, in an office of, say, 9 or 10 carriers, it is found that there has been a weekly average of 48 hours "undertime," it must be plainly evident in the light of this efficiency system that one of these carriers can be dispensed with. It is up to the postmasters to see that routes are rearranged so that this can be done, leaving the remaining carriers to handle the additional work after the order has been rendered effective.

Then to give the system general application and the post-office inspectors a bill of good health an order issues from the department, advising the postmaster that hereafter "carriers' routes should be so arranged as to provide a full eight hours' work at all times." Thus by a system of adding pieces of mail and men and dividing the total by minutes, the department has evolved the wonderful theory of the standard day. After all, could anything be more simple?

Why is it not a great idea? Why will it not work? It is done in the factory by increasing the size of the pulley; it is done in the machine shop by speeding up the lathe and introducing soft steel; it is done on the railroad by building larger locomotives; why can it not be done in the post office? Set a standard; that is the idea. Never mind about local conditions, train schedules, the human element, or what not. Set the standard. If conditions do not exactly fit the standard, bend and hammer and squeeze them in until they do fit. It is up to the postmaster to see that this is done.

#### THE STANDARD MINUTE.

Here we have the standard day as a scientific formula designating what a day's work should be. To make it further effective, it is but a natural and logical step for the local post-office authorities to subsequently divide the hour into minutes and set a standard minute's work. So they do a little computing on their own account. The stop watch is brought out; the carrier is started with a gong, and an accurate time record is taken in minutes by the watch holder of the pieces of mail he throws, the amount of time he consumes in doing this or that with one or the other class of mail, and then out of this table

of experience thus compiled is evolved another theory—the standard minute.

This is not a satire, gentlemen, framed for passing amusement or a facetiously contrived plot for a literary extravaganza. Rather is it a true-to-life portrayal of a system now operating in the City Delivery Division of the Postal Service, where hard and fast regulations define an acceptable amount of work to be performed in 60 seconds. Not only is there a minute standard, but employees are reduced in grade, transferred, humiliatingly disciplined, or removed from the service, as a case may be, because they can not maintain the pace the minute standard arbitrarily sets.

#### THE SYSTEM AT WORK.

The Post Office Department having sponsored and sanctioned this system, it is but natural that the inspector force would shortly become saturated with the same idea. Realizing that their tenure of place depended almost entirely on the favor of the Postmaster General has caused many postmasters to catch the craze, and to such an extent that new-fangled speed-up devices, efficiency charts, rules, and regulations have followed one another with painful regularity, until it is impossible to catalogue the variety of methods thus invoked. Everything must be done by rule. Tasks are measured by minutes, minutes by seconds, and seconds by physical movements.

The robust and active carrier is singled out as the basis for computation. His capacity is utilized as a measuring device to frame the tasks set for other carriers, who with unsparing exactness must be standardized accordingly. Somehow, some way, the standard must be maintained, no matter how much speeding up is required, because he who can not stand the pace can fall by the wayside. Even instances have occurred where carriers were ordered to count the number of their steps taken during the day.

Such is the efficiency system, its origin, its history, its application. The corner stone of the system is the standard day. Its purpose is to wring from the toiler the last ounce of possible effort. Its ultimate object throughout its varied ramifications is to force a postal surplus and to prove how the present administration of the Post Office transcends in capacity all those that have gone before.

#### REORGANIZATION.

Such is the efficiency system. How does it work out in practice? What are the results of its operation, general and specific, immediate and remote? Answering my own question, I charge this so-called efficiency system with being an utter failure, and that, too, after judging it fairly and from every point of view. It has well-nigh destroyed the efficiency of a heretofore satisfying service; it has shaken the confidence of the people and awakened protest without end; it has goaded the employees into almost open rebellion, driven competent men from the service in despair, depressed the morale and health of the workers, and inspired a discontent that now runs rife throughout the entire structure. Even more. From a standpoint of social economy the system has been a hopeless and a disastrous financial experiment. It has ignominiously failed, first of all, because it is founded on a fallacy and because it left out of reckoning the one most important item—the human element.

Examining in detail, this is how the plan works in practice: The efficiency system has been launched; it is on its way and a reorganization of certain post offices begun—reorganization being a polite departmental term meaning reduction in the force. In due time a number of post-office inspectors show up in a particular post office where are employed, we may say, some 60 letter carriers. At once begins the scheme of scientific computation, and it is discovered that these 60 carriers have averaged 7 hours and 35 minutes per carrier per day in casing and distributing mail.

Not much "undertime" for one man, to be sure; but lo and behold, when you multiply it by 60 you have the amazing total of 1,500 minutes per day "undertime"; 1,500 minutes means 25 hours, which in turn means 3 workdays of 8 hours each, and, what is more to the point, means that three carriers, according to this system, can be dispensed with. Reorganization begins, and nothing is easier. The postmaster is simply ordered to reduce his carrier force by three men, and arrange the remaining routes accordingly. Protest unavailing, the orders are obeyed. The inspectors leave town, bent on more reorganization. The postmaster is left behind to toy with his new-found system, and then trouble, dire trouble, begins.

The first division of districts will not work at all. Many carriers have plainly too much mail to handle, so that in rectifying this inequality chunks of territory are switched back and forth from this route to that like diplomats at a peace conference,



seeking vainly for some equitable plan of settlement. Meanwhile, the patron daily sees a new face at his door, and a strange voice inquires his name. Substitutes are drafted in number to care for the accumulated mail as the adjustment goes on. Still it fails, so speed-up methods are invoked. The official whip is cracked; men are nagged, hounded, and hurried; complaints pile into the office, and everything is in an uproar.

Still the system does not work, but admission of this fact can not be officially made by the postmaster who knows how the information would be received at Washington. Schedules are thrown out of joint, regularity of delivery vanishes, and mail accumulates in the office. This carrier has too much; he is hours late on his trip, so he must curtail service to one delivery a day. Another carrier is covered up, so he takes out first-class mail only, leaving an accumulation of newspapers, periodicals, and other mail matter. Later, a substitute is drafted to clear up this wreckage, and patrons are surprised to get three or four missing issues of their daily paper on one delivery. Still another carrier, nervously anxious to escape official reprimand, resorts to all sorts of questionable expedients to dispose of his mail, to later answer more serious complaint.

Meanwhile a heavy day comes along and a large volume of mail arrives at the office. The working force is swamped; mail piles up, and for the purpose of getting out the most important, first-class mail is given the preference, while other classes being switched from pillar to post, instead of being handled once, are pawed over five or six times. More substitutes are requisitioned and assigned to strange territory, adding to the confusion. One delivery in residence sections becomes the regular order, and out-bound mail lies over in street letter boxes for 24 hours before being collected.

That this picture is not overdrawn can be readily confirmed by a talk with postal employees or by a careful analysis of the figures furnished by the department itself. Take the case of the substitute, for instance: This year an appropriation to cover this item calls for \$4,100,000, a jump of more than \$2,000,000 within the past few years. Deduct from this estimate \$1,352,864 for pay of substitutes working in place of 34,592 carriers off on vacation and there is left \$2,747,136 to be expended for auxiliary and temporary hire of substitute carriers. Why this immense sum? It means that aside from vacation periods the average carrier must be helped out by a substitute to the extent of 27 days during the year, and this makes no allowance for an ever-increasing item of overtime the regular carrier is compelled to work.

From 1909 to 1915 there were 59 carriers reduced to the substitute list, while in 1915, 1916, 1917, at a time when postal revenues were increasing by leaps and bounds, 729 carriers were thus reduced. Why is it that the carrier force was only increased 1.4 per cent last year, while postal revenues increased 5.66 per cent? The postal receipts of 1917 amounted to \$42,477,951 more in 1917 than in 1915, yet the cost of City Delivery Service was exactly \$4,773.96 more in 1917 than in 1915. Imagine a concern doing an increased business of \$42,000,000 on an increased overhead of \$4,000.

#### NO WONDER THE SERVICE IS DEMORALIZED.

Unsatisfactory as has been the handling of first-class mail it has been infinitely better than the service given other classes, which has been miserable beyond reckoning, and which mail has been allowed to accumulate in terminals and in post offices to an amazing degree. A million dollars' worth of registered matter, a short time ago, was lost for 14 days in such an accumulation in New York City before being discovered. The postmaster in Washington, during the month of January this year, while denying the charge that mail was being held up for a period of three weeks, admitted to a congestion 24 hours behind schedule. Conditions pictured as existed in the Chelsea Terminal of the New York office have been little less than frightful. Here is an extract from the Manufacturers' Record, which I will insert, showing where daily papers regularly arrived three and four issues at one delivery:

WOULD BE WELCOMED—THE COUNTRY HAS NO OBJECTION TO SECRETARY BURLERSON RESIGNING.

A dispatch from Washington says that Postmaster General Burleson is seriously considering retirement from the Cabinet in order to enter the race in Texas for the United States Senate, and it adds, "Burleson is known to be thoroughly tired of department service."

It is to be hoped that these statements are correct, for Mr. Burleson is certainly no more "tired of departmental service" than the country is tired of the kind of departmental service which it has been receiving from the post office since long before our entrance into the war.

Typical of these conditions are the receipt by the writer in Daytona, Fla., on Saturday, of the Baltimore papers issued in Baltimore on the preceding Monday, and sometimes the delay is even greater. Boston papers have been exactly one week in coming from the Hub of New England. As there is no such delay in the trains coming South it is very evident that the difficulty is in the post office. Take, for instance, the Baltimore morning papers, sent out of that city somewhere between midnight and 3 o'clock Monday morning, and remember that they reach Daytona late Saturday afternoon. Some days three or four issues of the same paper, but of different dates, are received by the writer in the

same mail. This condition, which goes on from day to day, is typical of post-office service. There is often a difference of as much as 24 hours in the receipt of two copies of the Manufacturers' Record, for instance, mailed in Baltimore at exactly the same time.

We sincerely trust that the rumor sent out from Washington, that Postmaster Burleson is considering retirement, is correct, and that he will not only consider it, but will act favorably upon the matter.

Here is an unintended, and for that reason more severe, indictment of the present Postal Service contained in a letter from Theodore Hewes, of Indianapolis, Ind., addressed to dog fanciers, which begins as follows:

For once in the history of our country we find it next to impossible to get second or third class mail delivered with any degree of accuracy.

This writer evidently has so lost confidence in the Postal Service that, although having a month to spare, will not trust his communications to second or third class mail, but sends them first class instead.

DOG FANCIERS, THIS IS A PERSONAL LETTER TO YOU.

INDIANAPOLIS, IND., February 2, 1918.

For once in the history of our country we find it next to impossible to get second or third class mail delivered with any degree of accuracy. Many of the dog shows have been seriously crippled this year for lack of entries, due, in the majority of cases, to the delay in receiving premium lists. For that reason the premium lists and entry blanks of the Indianapolis Kennel Club are mailed to you under first-class postage.

The dog shows of this country never were up against such trying conditions as they are to-day, and show managers that have the courage to go ahead in the face of present conditions are certainly entitled to your most liberal patronage. The snow blockade, we can reasonably figure, will be out of the way by March 1, so that need not delay your entries. But there are other matters that only the experienced show managers take into account, i. e., the question of expressing shipments. You have been having trouble in getting your shipments accepted, and are likely to have trouble unless you take the matter up with your local agent in advance, and it is this matter that has called forth this letter. I have arranged with the express companies in Indianapolis to furnish sufficient room for all dogs shipped, even though they may arrive two days in advance of the show. And owners or handlers may have the privilege of going to the storehouse and taking their dogs out for exercise. I have also arranged with the Denison Hotel (the headquarters of the dog exhibitors in this city) to allow toy dogs to be brought to the hotel in advance of the show, provided the owners are with them.

FANCIERS, IT IS UP TO YOU.

We have done our bit. Will you do yours? You owe it to yourself, you owe it to the fancy, and, above all else, you owe it to your country to see to it that the Indianapolis show, March 1, 2, and 3, is up to standard. And let us show to the world that, regardless of war, we are doing our bit to keep the industry up to the highest standard.

Now, then, do this much for me: Make the largest entry you have ever made at any show. Come with your exhibit if possible. Talk dogs, preach dogs, and in the right way get others interested in the breeding and exhibiting of dogs.

If your local express agent has any hesitancy in accepting your dogs for shipment, make it a point to leave one or two days ahead of time and show him this letter as proof that we will take care of them on arrival.

Yours, for the best dog show ever caged in the Middle West,  
THEO. HEWES.

Similar cases could be submitted in convincing number and these would not represent the smallest fraction of the inefficiency that permeates the service, because the delays, omissions, and mishandling of mails are a sort of an intangible thing. Everybody feels it; everybody experiences it, yet to secure specific and definite evidence of the excessive time consumed in the interval between depositing a letter in a street letter box and the hour of its delivery at its destination involves so much trouble that few people are willing to assume the rather thankless task. This is what the Broadway Association of New York did last year, and their findings confirmed not only the prevailing opinion of poor service and unexplainable irregularity of delivery but they also showed that in some instances from 24 to 36 hours was used in local deliveries just a few blocks from the point of mailing.

It was possible a few years ago to examine the two postmarks on a letter and ascertain the time a letter was received in the office of mailing and the time it reached the office of its destination, and thus estimate the intervening time consumed in transit. This is no longer possible, because on the plea of economy the practice of postmarking a letter at the office of its destination has been discontinued, and consequently the letter may be held up indefinitely en route and the patron has no check to indicate the point of delay. It is even stated with good authority that the postmark hour at the office of mailing now means little or nothing, because a speeded-up office force have no time to change the postmark at hourly intervals and one impress sometimes serves for 12 hours.

THE SYSTEM AND THE PATRON.

The most grievous sufferer under this efficiency system is the post-office patron. With rearrangement of routes followed by belated or discontinued deliveries, he finds that where formerly his mail reached him about 8 o'clock in the morning he now receives it at 10. Redistricting often puts his place of business at the end of the carrier's newly enlarged route, and then it becomes a matter of grave uncertainty when his mail will arrive. Regularity of schedule has vanished, his day's work has been upset, and his time has been lost along with his

temper. Due to this delay, consignments of merchandise may await dispatch for an additional day; financial deals are held up; appointments are oftentimes broken; and a variety of business activities must mark time, waiting on the mail. Under the fair name of efficiency and for the purpose of saving the salary paid a \$3-a-day employee, this mischievous and perverted administrative method stumbles on its broken way, leaving a trail of dislocated business connections and discontented people to mark its progress.

#### THE STANDARD GAIT.

But there is still another angle to this efficiency system. Formerly the carrier was assigned a route, which was by and large considered a fair day's work, taking one day with another. If he moved briskly and energetically, it often happened that he could complete his tour of duty within the full eight-hour day. This fact largely explains why the average time recorded among a group of carriers would be 7 hours and 35 minutes—a condition which so notably attracted the attention of the efficiency experts. Working under the new efficiency system, the carrier discovered that no matter how he might hurry there was always more work piled up before him, and if he was not called on to work overtime he at least must stay the full eight hours. Naturally, in view of the excellent examples offered by those in authority, it would be surprising, indeed, if he did not do a little standardizing on his own account and adopt a standard gait.

Men thus situated, given least to worry, go about their work in a machine-like methodical fashion, deaf to complaint or criticism, losing the pride of performance and trudging along in sullen resentment against a system that stifles initiative and sentences the intelligent toiler to be a numbered cog in a scientifically adjusted machine. Carriers of more nervous temperament worry under the strain, the constant nagging and driving, resulting finally in illness or disability. Statistics of letter carriers' sick-benefit associations show by the physician's statement that 60 per cent of illness in the ranks is due to "overwork and worry."

#### THE SYSTEM AND EMPLOYEES' HEALTH.

Such statements find confirmation in a table taken from the Bulletin of August, 1917, issued by the Department of Labor, and which I will insert, showing that in a compilation of sick-benefit statistics, taken from benefits paid to 18 large craft organizations, the letter carrier stands at the very head in the enumeration of hazardous occupations. This, too, despite the prevailing belief that the letter carrier has a healthy job.

Statistics compiled by the National Sick Benefit Association, with a membership numbering some 15,000 letter carriers, shows that one letter carrier in less than every seven is disabled, through illness or accident, in excess of five weeks during the year. The following table, which I will insert, compiled by the same association, shows that disability through illness or accident has increased 38 per cent since this speed-up efficiency system has been installed:

*Nature and extent of disability benefits paid, average membership, frequency and duration of disabilities, and per capita cost of cash benefits, 16 national or international trade-unions.*

[From Bulletin, Department of Labor, August, 1917.]

Fund number.	Waiting period (days).	Maximum benefit period (days).	Period covered.	Average annual membership.	Average annual number of cases (all disabilities).	Average annual number of cases per member.	Average annual days of disability per member (all disabilities).	Rate of benefits per week.	Annual cost of cash benefits per member.
1	7	78	1912-1916	236	43	0.18	4.5	\$12.00	\$8.94
2	7	182	1912-1916	10,017	1,359	0.14	4.5	10.00	5.00
3	7	112	1912-1915	13,584	1,551	0.11	3.3	7.00	3.27
4	7	91	1915	50,006	5,246	0.11	4.2	5.40	2.67
5	7	700	1912-1916	886	114	0.13	5.00	5.00	4.26
6	7	91	1914-1916	37,503	3,296	0.09	3.7	5.00	2.23
7	7	91	1911-1915	47,272	(*)	(*)	5.00	4.32	
8	7	91	1912-1916	6,431	596	0.09	3.5	5.00	2.03
9	7	42	1912-1916	4,433	287	0.07	1.1	5.00	.79
10	7	70	1912-1916	12,536	751	0.06	5.00	5.00	1.61
11	14	91	1912-1916	37,894	3,197	0.08	3.1	5.00	1.82
12	14	70	1912-1916	1,788	95	0.05	2.0	5.00	1.16
13	14	112	1911-1915	28,851	1,831	0.06	2.8	5.00	1.68
14	14	84	1912-1915	15,533	624	0.04	1.7	5.00	1.03
15	14	91	1912-1916	6,675	335	0.05	2.0	4.00	1.14
16	14	91	1915	3,890	371	0.10	(*)	3.00	1.59

\* Benefits for accidents begin at once.

\* Estimate.

\* 50 weeks in each two years.

\* Not reported.

\* Females are paid \$3 per week.

*Data relative to benefits paid to members of the United States Letter Carriers' National Sick Benefit Association, 1915-1917.*

Year ending June 30—	Average membership.	Benefits paid.	Average benefit per member.
1913.....	8,230	\$3,230.30	\$4.28
1914.....	10,826	47,881.71	4.40
1915.....	11,480	56,675.13	4.93
1916.....	13,740	\$2,355.78	5.99
1917.....	14,931	\$7,812.28	6.59

NOTE.—During the years 1916 and 1917 the benefits paid were \$10 per week, as against \$6 per week in the previous years. This was an increase of 11 per cent in benefits. Benefits paid 1917, \$6.59; in 1913, \$4.28, an increase of \$2.31 or 0.539 per cent. Allow for natural increase of 0.11 per cent due to increase in benefits, and we have a real increase of 0.429 per cent.

*Average annual number of cases of disability (all causes) per member.*

Year.	Average membership.	Number cases disability.	Average.
1913.....	8,230	956	4.116
1914.....	10,826	1,359	1.253
1915.....	11,480	1,588	1.383
1916.....	13,740	2,101	1.533
1917.....	14,931	2,287	1.534

Total increase of 0.038, or an increase of 0.32 per cent.

#### THE SYSTEM AND ITS ACTUAL COST.

Not alone, however, has this system of scientific efficiency demoralized the Postal Service, disrupted an efficient organization, shaken the people's confidence in one of their own institutions, and lowered the health and morale of postal employees, but it has also proved itself to be one of the most wastefully extravagant experiments ever conducted by a considerable business enterprise in the country.

Of course, a financial exhibit of postal expenditures may show that a million or two dollars have been apparently saved through its application in the City Delivery Division alone, but this exhibit by no means tells the whole story.

Is it worth anything to have a contented and responsive working force?

Is it worth anything to maintain in high vigor the health and vitality of an army of postal employees?

Is it worth anything to hold the confidence of the people in one of their own institutions?

Is it worth anything to surround men with an environment that stimulates individual initiative and promotes intellectual development? Such things can not be measured by dollars nor can they be translated into mere bookkeeping entries. This recapitulation is enough to everlastingly condemn the system, but let us judge it from a purely material standpoint and we will find that, financially speaking, it has failed hopelessly.

#### THE PROFIT TEST.

For every dollar the system claims to have saved in reducing postal expenses—business owned by the people, let us not forget—it has cost the people a hundred dollars in some other way. Let us center our gaze on the system in operation. The working force is reduced one carrier and eight hours' work, meaning \$3 is thus presumably saved. In consequence the service is thrown out of gear, deliveries fail, and the thousand and one things flowing from a dislocated service happen.

Hundreds of people consume accumulated minutes waiting for their mail; business deals are held up; appointments are interrupted; shipments are delayed, and one loss after another falls upon the patron and those awaiting his orders, which, if it were possible to total in dollars, would make comparison with the amount alleged to be saved that would be unspeakably absurd. As an example of how the system works, I ask you to look in some day at the stamp window of any of the post-office stations in this city, where the same post-office clerk weighs and names the rate on parcel-post packages and has charge of stamp sales. Instead of employing an additional clerk, one man looks after all this work, with the result that the finances of the Post Office Department show \$3 saved and fully 500 people lose each from 5 to 15 minutes waiting on service. Were the people familiar with the multitude of injuries they have suffered through having the commendable purpose of efficiency twisted and perverted out of all shape or meaning by a squad of egotistical, tinkering experimenters, inspired by an utterly selfish motive, they would make short shrift of them and in less time than it takes me to explain the workings of their so-called efficiency system.

The system is a hopeless financial failure, just as it is in every other way. Nothing good can be said in its defense. It



is philosophically unsound and it is based on an utter misconception of the proper relations of the Post Office to the people and the worker to his work. It must go. May an aroused public indignation force a little common sense and sanity into the understanding of the Postmaster General and his staff and cause them to abandon a policy founded on fallacy and altogether costly and dangerous in its execution. In its stead give the people a sound business administration of the Postal Service, based upon a wise policy sensibly followed.

Mr. Sisson. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Chairman, I have claimed the indulgence of the House for the purpose of making a correction of the Record, which does an injustice to a very capable and a very faithful employee of the Senate and House and also to members of the Capitol police force. During the consideration of the legislative, executive, and judicial appropriation bill a colloquy occurred between the gentleman from New York [Mr. SANFORD] and myself in regard to the Capitol police, and I shall read a portion of that colloquy:

Mr. SANFORD. Will the gentleman tell the House on whose recommendation the 100 policemen are appointed?

Mr. BYRNS of Tennessee. I do not know.

Mr. SANFORD. If the gentleman will look into it, he will find we have got about 80 policemen out of the 100.

Mr. BYRNS of Tennessee. I will say to the gentleman that none of them were appointed on my recommendation.

Mr. SANFORD. The chief tells us that he can use about 30 out of the hundred.

Now, of course, we all know that the gentleman from New York [Mr. SANFORD], whom we all esteem and respect as one of the most capable, the most earnest, and most faithful Representatives upon the floor of this Chamber, would not intentionally do anyone an injustice, and I may say personally I have a very warm regard for him. But the statement as made does an unintentional injustice to the captain of the Capitol police, Mr. M. B. Louthan, and I wish to read to the committee a statement which has been furnished me, showing the facts in reference to the employment and assignment of the Capitol police. He says:

In reply to statement made on floor of the House by Representative SANFORD March 14 wherein he claims there are 100 policemen on roll and that the chief had told him there were only 30 working at one time, and wanted to know where the other 70 were.

The facts are there are 97 policemen; 16 of these are in House Office Building and not under the supervision of the police captain. In the department under Capt. Louthan there are 81 men. This includes the Capitol and grounds and Senate Office Building. They are divided into three shifts, working as follows: Shift No. 1 from 8 a. m. to 4 p. m., shift No. 2 from 4 p. m. to 12 midnight, shift No. 3 from 12 midnight to 8 a. m., as per report attached, showing the distribution of men on February 13, showing where every man of the entire 81 is located and the hours he works.

There could be no grounds for the statement made by Representative SANFORD, and the chief claims he never told him he was only using 30 men, but did tell him he was using every one of the 81 men every day, as the reports of the three lieutenants attached will show.

By observing the attached sheets you will see that many posts where policemen are needed are vacant on account of having no men to place there.

These men work every day in the year, Sunday included, and are given 50 days leave every year, this because they work Sundays. The three sheets show 77 men at work, and the 4 officers make 81 total men in the department.

Now, I hold in my hand the sheets or lists referred to showing just where the various 77 policemen are stationed, and this statement also shows a number of places where it is considered essential that policemen should be assigned, but can not be assigned because they have not a sufficient number. These lists are entirely too lengthy, and I consider it unnecessary to insert them in the Record.

Now, Mr. Chairman, before I yield the floor I wish to take advantage of this opportunity to refer in a very brief manner to the splendid record which has been made by every county of the sixth congressional district of Tennessee which I have the honor to represent in its subscriptions to the third liberty loan and also in subscriptions made to previous liberty loans and other war activities. It is a record which is characteristic of those liberty loving and patriotic people, for they have never failed to respond to an appeal of their Government.

The afternoon paper tells us that up to the present time, with nearly a week to go so far as the campaign is concerned, there have been 12,000,000 subscribers, which are already 3,000,000 more than subscribed to the second liberty loan. This indicates that the subscriptions to this loan are being taken largely by people of moderate means rather than by the wealthier classes and that is a very gratifying fact to all of us, for it shows that the people of this country, with practical unanimity, are responding to their duty and to their obligations to make necessary sacrifices and do their bit here in order to sustain our soldiers who are being sent over to fight our battles for us. I have only general information as to what has been subscribed

and contributed by all the counties in my district save one, but I know that there has been no lack of patriotism in any of them. Recently the Rotary Club of the city of Nashville, which like the rotary clubs of all other cities is composed of some of the most patriotic, prominent, and most enterprising and forward-looking young business men of the city, collected information as to some of the things the citizenship of Nashville has done to aid the Government since the beginning of the war, and this club has sent this information out to all other cities of similar size in the United States and in Canada with a challenge to those cities to show whether or not they hold a record equal to that made by Nashville. This record shows:

In the first liberty loan Nashville was allotted \$3,120,429.58, and Nashville subscribed \$4,381,650.

In the second liberty loan Nashville was allotted \$4,511,420.96, and Nashville subscribed \$6,642,600.

In the third liberty loan Nashville was allotted \$4,800,000, and although this liberty-loan campaign does not close until May 4, Nashville has already subscribed over \$5,000,000.

In the Red Cross drive Nashville was allotted \$150,000, and subscribed \$185,000, of which over 97 per cent has been paid.

In the Army Y. M. C. A. campaign Nashville was asked for \$40,000, and agreed at the beginning of the campaign to raise \$75,000, and actually subscribed \$94,000.

In the campaign for "Eyes for the Navy," Nashville furnished more than 500 pairs of glasses.

In the campaign for books for our soldiers Nashville furnished 47,518 volumes.

In the campaign for clothes for the relief of Belgium, Nashville was asked for a carload, and furnished one and a half carloads, estimated second-hand value over \$50,000.

Nashville was asked for \$8,000 for Y. W. C. A. rest-room buildings at different cantonments. Nashville gave \$13,500.

More than 50 representative business men of Nashville are now in the religious and army work of the Y. M. C. A.

Nashville furnished one complete medical unit, composed of 12 leading physicians, 21 nurses, and 45 enlisted men, who are now in France.

Nashville is one of only nine cities in the United States showing improvement in condition of their boys since the war began, as reported by executive secretary of Boys' Club Federation of America.

Permit me to say, Mr. Chairman, that the outstanding feature of the splendid record which has been made by the citizenship of Nashville is contained in the fact that there is an improved showing, physical, mental, and moral, among its boys. From some of the belligerent countries there comes a saddening story of the devastating effect war conditions have had on the rising generations of these countries, as shown in increased delinquency and tendency to mental and moral deterioration. Happily the communities of our own beloved land have so far counteracted any such blighting influence, and not only have maintained the high record which had been reached in times of peace, but have actually improved conditions in this respect. I am proud to say that Nashville stands among the five foremost cities who have shown the greatest improvement in this regard. Mr. Chairman, I am deeply thankful and justly proud that Nashville gives a shining example in this galaxy of communities who have preserved the most precious possession of a Christian State, the budding promise of an upright, intelligent, patriotic, and God-serving citizenship. It appears to be, unhappily, an impression with some that the price of this stupendous struggle for the maintenance of the integrity of democratic States includes a certain deterioration of the moral standard of a portion of the rising generation. I am thankful, Mr. Chairman, that this theory is in error, and can not too strongly emphasize this fact, and take particular pleasure in placing the example of the citizens of Nashville and that of other cities in America before this honorable body. It is written in the fates that we will win, for right must triumph over might, as light dispels darkness; but the price will be too heavy if it carries with it the penalty of blighting the coming generation with the loss of ideal and the solid characteristics of honest worth and moral uprightness. It is not true, Mr. Chairman, that we can not win and at the same time raise even higher the standard of our rising citizenship, and I am gratified to be able to submit the proof that this result can be attained as a matter of permanent record. [Applause.]

Mr. MAPES. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield.

Mr. MAPES. In regard to the colloquy which the gentleman had with Representative SANFORD, of New York, about the number of police that the chief said he could make use of, did the statement which the gentleman read here come from the chief or some other officer?

Mr. BYRNS of Tennessee. It came from Capt. Louthan, at the head of the Capitol police here, I will say to the gentleman.

Mr. MAPES. Did the gentleman consult the chief to ascertain just what the chief did say?

Mr. BYRNS of Tennessee. Well, my information is that the chief states that he did have a conversation with our friend, the gentleman from New York [Mr. SANFORD], but there has evidently been a misunderstanding on the part of the gentleman from New York. The chief was evidently speaking to the gentleman with reference to the number of men on each of the shifts, whereas the gentleman from New York evidently assumed he was referring—

Mr. MAPES. But did the gentleman from Tennessee consult with the chief?

Mr. BYRNS of Tennessee. I did not personally see the chief.

Mr. MAPES. So that the gentleman can not give the chief's own interpretation of the conversation to which the gentleman from New York referred?

Mr. BYRNS of Tennessee. No; but I feel sure from what has been told me that the chief was referring to men on each of the three shifts, whereas the gentleman from New York evidently had in mind the entire force.

Mr. Sisson. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LONDON].

Mr. LONDON. Mr. Chairman, the cables bring the news that the Socialists of Austria-Hungary have been organizing for to-day, the 1st of May, nation-wide demonstrations in favor of universal peace, of a peace without conquest and without annexations.

That the Austrian people are weary of this war is apparent to the most superficial observer. It is only the physical coercion, exercised by the overweening German junkerism, that keeps Austria in the fight. While the so-called peace with Russia, and particularly with Ukraine, is defended as a "bread peace," a sort of a truce to obtain the much-needed bread, the Austrian people realize that further subjection to Prussian domination involves a renewal of the struggle with Russia, and that only by universal peace, based upon the right of each nation to live an unmolested life, could a genuine peace be secured. From her internal experience Austria knows well that there is nothing more unstable than a peace based upon the oppression of one people by another.

The Socialists of Austria-Hungary are organizing peace demonstrations. We shall later know to what extent such demonstrations are taking place in Germany where international socialism has been steadily gaining ground at the expense of the so-called social patriots or Government Socialists.

You will recall that the 1st of May has in recent times, even before the war, been awaited in all countries and particularly in monarchical countries as the culminating day for manifestations of unrest. It carried an ominous threat to monarchical institutions on the Continent of Europe.

The 1st of May has special significance for the socialists. Some 25 years before the declaration of war, at an international Socialist congress, where representatives of the socialists of the world were assembled, the resolution was reached that the 1st of May should be celebrated as an international holiday by the Socialists and by labor throughout all countries. It was the first time in the history of the world that such a holiday was established. Men of all religions, of all nations, of all races were to unite on that day in demonstrations of the growing sentiment of international solidarity. They were everywhere to emphasize the ideals of universal peace and to seek everywhere better conditions and a larger measure of political and industrial liberty for the masses. They were everywhere to attempt to reduce to practice that noble ethical conception, recognized by all religious systems, that mankind is one family, and that all men are brothers. The day was to be consecrated to the religion of humanity.

It was not by any means an easy thing to carry out the resolution. The Governments of Germany, Austria, and Russia particularly looked upon these demonstrations as a foreboding of their downfall. Many a 1st of May demonstration ended in bloodshed. It met with as little favor with the Governments as with employers. When the 1st of May fell on a week day the Socialists were compelled in most places to organize their demonstrations in the evening. In one of the prisons of Siberia where a number of revolutionists were confined, they found no other way of celebrating the 1st of May than by burning their shirts. The Socialists adopted the French Marseillaise as their international hymn.

It is this emphasis of international solidarity by the socialists of the world that has given rise to the accusation made usually by the uninformed, or by those who know better but who are interested in suppressing the truth, that socialism is antina-

tional. Nothing is further from the truth. Internationalism necessarily means cooperation among nations. It presupposes the existence of nations. It presupposes the right of a group of mankind, with a distinct language or a distinct culture, to exist alongside with similar groups. All that internationalism means is that a code of international right shall prevail in the relations of nations. The socialist code repudiates the rule of physical supremacy among nations. The socialists would have every nation constitute a member of a well-ordered international family, and would repudiate the rule of physical force in the relations among nations as civilized societies have learned to repudiate it in the relations among individual members of a community.

I have on numerous previous occasions called your attention to the magnificent efforts made by the socialists of the world to oppose militarism, to combat imperialism, and to contend against colonial acquisitions. In a pamphlet called *The Policy of the International*—it can be obtained in the Congressional Library—you will find a detailed recital of the efforts made by the socialists of Europe to prevent the Balkan wars from extending to the rest of Europe, as well as of the steps taken by the International Socialist Bureau and by the European socialists to prevent the present war.

Up to the very last minute there were mass demonstrations against war in Germany. The pamphlet contains a speech of and an interview with Camille Huysmans, the secretary of the International Socialist Bureau and a member of the Belgian Parliament and of the Brussels City Council.

In speaking of a meeting held by the executive committee of the International Socialist Bureau on July 29, five days before the outbreak of the war, Huysmans said:

At that meeting it was agreed to strengthen again the action against war and to support the proposition that the Austro-Serbian dispute should be submitted to arbitration. The German and French members went home with the mission, on the one hand, to insist at Berlin that the Austrian Government should be reasonable in its demands, and, on the other hand, to insist at Paris that Russia should not take part in the conflict. The English and Italian sections had authority to do all that they could at London and Rome to support this pacific action.

When the war broke out the socialists were staggered. They were nowhere numerically strong enough to prevent it. The duty of the French and Belgian socialists was clear. Their countries had been invaded; the existence of their peoples was jeopardized, and they rushed to the defense of their countries as brave men were expected to do. In defending France the French socialist defended not only his own country but the cradle of civilization for Europe. There was no dissension among the French socialists, no difference of opinion. By all the precepts of the highest patriotism and of international socialism they were bound to give unstinted aid to protect France.

In Germany, in which the Government had been preparing for years for the contingency of a European war and where the ruling class, guided solely by strategic military considerations selected the most favorable moment for the conflict, the socialists found themselves in an impossible position. In 24 hours the Government could have crushed every socialist organization in the country. But that was not all. While republican France and innocent little Belgium were to the west of them, what was then considered a powerful military force—Russia—threatened Germany from the east. The war was on. The question that presented itself to the socialists was whether they should vote for the military budget. The individual socialist was already in the ranks, a part of a military machine. The parliamentary group, consisting of 110 members out of 397, were divided on the question of voting military credits. By a caucus rule they decided to vote for the war budget. The chairman of the Socialist Executive Committee of Germany, Haase, was in the minority in the caucus. Since then the best intellectual forces of the German social democracy have refused to vote military credits and have fearlessly denounced the imperialistic policies of the Government. What was in the beginning of the war a minority seems to represent now a formidable power in the socialist movement of Germany.

It was Haase who mercifully flayed the Government for the so-called Russian peace and who exposed the annexationist designs of the German Government.

The Socialists of the world, who for more than 50 years advocated international cooperation, were compelled by the very force of events to defend their respective countries.

They have not, however, abandoned the desire to tie together the severed bonds of internationalism.

The average conception of patriotism is that a man must always insist that his country is right, and as the Austrian Socialist Adler recently said on the floor of the Reichsrath it seems to be "considered a patriotic duty to lie for the Fatherland."



It was a difficult task that devolved upon the Socialists. No one can afford to weaken his country when its very existence may depend upon the success or defeat of its arms. To oppose the country entering a war is one thing; to oppose the country after it has been put in danger by entering a war is a responsibility that no one can honestly assume. The German Government has been contending that Germany is in danger of being dismembered, that it is threatened with annihilation, that it is fighting a war of defense.

The test of its sincerity came with the Russian revolution. An incompetent, inefficient, dishonest, antinational and anti-social autocratic Government was overthrown by the Russian people. The Revolutionary Government renounced all claims upon the territory of other nations. Although access to Constantinople was a vital need for Russia, and the dream of her statesmen for centuries, the new democracy did not hesitate to bring conclusive evidence of its good faith by repudiating all designs upon Constantinople. An internal revolution in war time does not add to the strength of a belligerent. Even the allies of Russia failed to understand the import of the revolution. The Socialists saw the full significance of it, and a movement for an international Socialist congress, which would have enabled the Socialists of the allied countries to put to the test the internationalism of the German social democracy, gained momentum.

Unfortunately the allied Governments prevented the assembling of such a congress. As I said on a previous occasion, "It was a blunder for which the full price has not yet been paid."

But while the allies blundered and the Socialists were prevented from coming together, the Imperial German Government took full advantage of the confusion and helplessness of the Russian people who were in the throes of war and revolution.

The German Government has now assumed the part heretofore played by czarism. Theretofore Russia was the gendarme of Europe; now the German imperialistic Government has become the executioner of Europe.

It has forced a so-called peace upon Russia. It has deprived her of her best Provinces. It has torn away from her Ukraine, the granary of Russia and Europe. It is to the credit of the German Socialists that they did not vote for the ratification of that infamous treaty.

The German Government is defying the world. Its only hope of survival is the old-fashioned kind of patriotism which sanctions every crime against every other nation, so long as one's own nation is aggrandized. The German Imperial Government hopes to continue to live, if it can bring as a compensation for all the sacrifices and as a result of all its crimes new territory, new frontiers, additional industrial opportunities, new domains.

Like the Government of the Czar, it is antisocial, antinational, and against the world.

Will the socialists of Germany be able to gather enough strength to overcome that kind of loyalty and that kind of patriotism? Are they prepared to uphold their Government in a career which will make the division of the world into Germans and anti-Germans permanent?

The Interallied Socialist Conference, held in London, England, in February of this year, has renewed the request for an international socialist congress. The allied Socialists are determined, however, that a conference of all the socialists, including those of the central powers, would be of value only then, when all the organizations which are to be represented should pledge themselves in advance of the conference to the principle "no annexations, no punitive indemnities, and the right of all peoples to self-determination," and further, to quote the inter-allied conference report, "that they are working with all their power to obtain from their Governments the necessary guaranties to apply these principles honestly and unreservedly to all questions to be dealt with at any official peace conference."

It is to be hoped that the Governments responsible for the conduct of the war will see the wisdom of permitting such an international conference.

On a previous occasion I obtained leave to incorporate in the RECORD the memorandum on war aims agreed upon at the Interallied Socialist Congress. There were present at the conference representatives from England, Belgium, Roumania, France, Italy, Serbia, and Greece. Messages were received from the socialists of South Africa, Portugal, the socialist revolutionists of Russia, and the Menshevik section of the Russian Social Democratic Party indorsing the war aims of the conference, the substance of which had been made public two months before.

I consider this document one of the most valuable documents in the history of the war. The worker, the man at the lowest rung of the social ladder, he upon whom press all the burdens of society, has asserted himself and has voiced his wishes

and his claims as an international force, speaking in terms of the universal, representative of a true international faith, defending his country against aggression but presenting to the world a basis of an understanding and cooperation among nations.

I am particularly interested in giving this document the greatest publicity, as it is my hope that the socialist movement in the United States will unanimously indorse and stand by the decision of the Inter-Allied Socialist Congress. As socialists, whatever our opinions might have been about the entry of the United States into the war, we certainly can not afford to see the United States worsted in the contest. The socialist is not called upon to betray his faith in international socialism nor in the necessity of substituting the now prevailing rule of physical force by an international code of right.

It is not that the allied countries are without their dark forces. There are imperialists everywhere. There are everywhere men who would wrap up their sinister designs in the folds of a national flag and would have whole peoples sacrificed in pursuance of schemes of economic aggrandizement.

These facts, however, are clear: An arrogant and willful military force threatens to crush the world. Had we not been participants in the war both our sympathies and interests as liberty-loving men would have been with France and Belgium and England and unfortunate Russia, as against German imperialism. But the United States is in the war. Whatever the designs or the dreams of capitalistic imperialists may be, the President of the United States has left no doubt that the American people, and he as their spokesman, have no selfish designs. The President has not only adopted the substance of the international Socialist program, but even the very formula of the international Socialist movement for his expression of the aims and objects of the United States in this war.

The Socialists in the United States can not be indifferent or neutral. There is surely no Socialist here who would like to see the United States defeated. In the absence of selfish national designs by the United States against any of the peoples of Europe American participation of the United States in the world contest will insure the presence of an element of moderation at the international peace conference.

The declaration of the Inter-Allied Socialist conference rises to the noblest heights of Socialist ethics. It is free from malice and hatred. There is no jingoism about it. The philosophy of the international Socialist movement which has been striving for more than half a century to curb imperialism, to eliminate national antipathies, to do away with clandestine diplomacy, with secret treaties, to remove force as a means of settling national differences, and to bring order into the relations of peoples, finds there its noblest expression.

The work of the conference is inspired, not by a desire to restore the old, which carried within it the germs of the present conflict, but to build anew.

The war aims of interallied labor lay special stress on the need of establishing a league of nations for the defense of international right. They would do away with professional armies. They emphatically oppose all projects for an economic war after peace has been secured.

They propose a comprehensive, constructive program for the solution of the problems which will arise with peace. They would provide for the restoration of the devastated areas and for the reparation of the wrongdoing not only by restoring "material property proved to be destroyed or damaged but by setting up the wage earners and peasants themselves in homes and employments."

While proposing solutions for the particular problems of (a) Belgium, (b) Alsace-Lorraine, (c) the Balkans, (d) Italy, (e) Poland and the Baltic Provinces, (f) the Jews and Palestine, (g) the Turkish Empire, (h) Austria-Hungary, (i) the colonies and dependencies, the main concern of the conference is that a supernatural authority, guided by international principles of right, shall be the determining factor in solving each individual problem as it presents itself.

Under leave heretofore granted to me I incorporate the full text of the "Memorandum on War Aims."

#### INTER-ALLIED LABOR WAR AIMS.

The following is the full text of the Memorandum on War Aims adopted by the Inter-Allied Labor and Socialist Conference in London:

#### THE WAR.

I. The Inter-Allied Conference declares that whatever may have been the causes of the outbreak of war, it is clear that the peoples of Europe, who are necessarily the chief sufferers from its horrors, had themselves no hand in it. Their common interest is now so to conduct the terrible struggle in which they find themselves engaged as to bring it, as soon as may be possible, to an issue in a secure and lasting peace for the world.

The conference sees no reason to depart from the following declaration unanimously agreed to at the Conference of the Socialist and Labor Parties of the Allied Nations on February 14, 1915:

"This conference can not ignore the profound general causes of the European conflict, itself a monstrous product of the antagonisms which tear asunder capitalist society and of the policy of colonial dependencies and aggressive imperialism, against which international socialism has never ceased to fight, and in which every government has its share of responsibility.

"The invasion of Belgium and France by the German armies threatens the very existence of independent nationalities and strikes a blow at all faith in treaties. In these circumstances a victory for German imperialism would be the defeat and the destruction of democracy and liberty in Europe. The Socialists of Great Britain, Belgium, France, and Russia do not pursue the political and economic crushing of Germany; they are not at war with the peoples of Germany and Austria, but only with the Governments of those countries, by which they are oppressed. They demand that Belgium shall be liberated and compensated. They desire that the question of Poland shall be settled in accordance with the wishes of the Polish people, either in the sense of autonomy in the midst of another State, or in that of complete independence. They wish that throughout all Europe, from Alsace-Lorraine to the Balkans, those populations that have been annexed by force shall receive the right freely to dispose of themselves.

"While inflexibly resolved to fight until victory is achieved to accomplish this task of liberation, the socialists are none the less resolved to resist any attempt to transform this defensive war into a war of conquest, which would only prepare fresh conflicts, create new grievances, and subject various peoples more than ever to the double plague of armaments and war.

"Satisfied that they are remaining true to the principles of the international, the members of the conference express the hope that the working classes of all the different countries will before long find themselves united again in their struggle against militarism and capitalist imperialism. The victory of the allied powers must be a victory for popular liberty, for unity, independence, and autonomy of the nations in the peaceful federation of the united States of Europe and the world."

#### MAKING THE WORLD SAFE FOR DEMOCRACY.

II. Whatever may have been the objects for which the war was begun, the fundamental purpose of the interallied conference in supporting the continuance of the struggle is that the world may henceforth be made safe for democracy.

Of all the conditions of peace none is so important to the peoples of the world as that there should be henceforth on earth no more war.

Whoever triumphs, the peoples will have lost unless an international system is established which will prevent war. What would it mean to declare the right of peoples to self-determination if this right were left at the mercy of new violations and was not protected by a super-national authority? That authority can be no other than the league of nations, in which not only all the present belligerents but every other independent State should be pressed to join.

The constitution of such a league of nations implies the immediate establishment of an international high court, not only for the settlement of all disputes between States that are of justiciable nature but also for prompt and effective mediation between States in other issues that vitally interest the power or honor of such States. It is also under the control of the league of nations that the consultation of peoples for purposes of self-determination must be organized. This popular right can be vindicated only by popular vote. The league of nations shall establish the procedure of international jurisdiction, fix the methods which will maintain the freedom and security of the election, restore the political rights of individuals which violence and conquest may have injured, repress any attempt to use pressure or corruption, and prevent any subsequent reprisals. It will be also necessary to form an international legislature, in which the representatives of every civilized State would have their allotted share and energetically to push forward, step by step, the development of international legislation agreed to by, and definitely binding upon, the several States.

By a solemn agreement all the States and peoples consulted shall pledge themselves to submit every issue between two or more of them for settlement as aforesaid. Refusal to accept arbitration or to submit to the settlement will imply deliberate aggression, and all the nations will necessarily have to make common cause, by using any and every means at their disposal, either economical or military, against any State or States refusing to submit to the arbitration award, or attempting to break the world's covenant of peace.

But the sincere acceptance of the rules and decisions of the super-national authority implies complete democratization in all countries; the removal of all the arbitrary powers who, until now, have assumed the right of choosing between peace and war; the maintenance or creation of legislatures elected by and on behalf of the sovereign right of the people; the suppression of secret diplomacy, to be replaced by the conduct of foreign policy under the control of popular legislatures, and the publication of all treaties, which must never be in contravention of the stipulation of the league of nations, with the absolute responsibility of the Government, and more particularly of the foreign minister, of each country to its legislature.

Only such a policy will enforce the frank abandonment of every form of imperialism. When based on universal democracy, in a world in which effective international guaranties against aggression have been secured, the league of nations will achieve the complete suppression of force as the means of settling international differences.

The league of nations, in order to prepare for the concerted abolition of compulsory military service in all countries, must first take steps for the prohibition of fresh armaments on land and sea and for the common limitation of the existing armaments by which all the peoples are burdened, as well as the control of war manufactures and the enforcement of such agreements as may be agreed to thereupon. The States must undertake such manufactures themselves, so as entirely to abolish profit-making armament firms, whose pecuniary interest lies always in the war scares and progressive competition in the preparation for war.

The nations, being armed solely for self-defense and for such action as the league of nations may ask them to take in defense of international right, will be left free, under international control either to create a voluntarily recruited force or to organize the nation for defense without professional armies for long terms of military service.

To give effect to the above principles, the Inter-Allied Conference declares that the rules upon which the league of nations will be founded must be included in the treaty of peace, and will henceforth become the basis of the settlement of differences. In that spirit the conference expresses its agreement with the propositions put forward by President Wilson in his last message:

(1) That each part of the final settlement must be based upon the essential justice of that particular case, and upon such adjustments as are most likely to bring a peace that will be permanent.

(2) That peoples and provinces are not to be bartered about from sovereignty to sovereignty as if they were mere chattels and pawns in a game, even the great game now forever discredited of the balance of power; but that

(3) Every territorial settlement involved in this war must be made in the interest and for the benefit of the populations concerned, and not as a part of any mere adjustments of compromise of claims amongst rival States.

(4) That all well-defined national aspirations shall be accorded the utmost satisfaction that can be accorded them without introducing new or perpetuating old elements of discord and antagonism that would be likely in time to break the peace of Europe, and, consequently, of the world.

#### TERRITORIAL QUESTIONS.

III. The Inter-Allied Conference considers that the proclamation of principles of international law accepted by all nations, and the substitution of a regular procedure for the forceful acts by which States calling themselves sovereign have hitherto adjusted their differences—in short, the establishment of a league of nations—gives an entirely new aspect to territorial problems.

The old diplomacy and the yearnings after domination by States, or even by peoples, which during the whole of the nineteenth century have taken advantage of and corrupted the aspirations of nationalities, have brought Europe to a condition of anarchy and disorder which have led inevitably to the present catastrophe.

The conference declares it to be the duty of the labor and socialist movement to suppress without hesitation the imperialist designs in the various States which have led one government after another to seek, by the triumph of military force, to acquire either new territories or economic advantage.

The establishment of a system of international law and the guaranties afforded by a league of nations ought to remove the last excuse for those strategic protections which nations have hitherto felt bound to require.

It is the supreme principle of the right of each people to determine its own destiny that must now decide what steps should be taken by way of restitution or reparation, and whatever territorial readjustments may be found to be necessary at the close of the present war.

The conference accordingly emphasizes the importance to the labor and Socialist movement of a clear and exact definition of what is meant by the right of each people to determine its own destiny. Neither destiny of race nor identity of language can be regarded as affording more than a presumption in favor of federation or unification. During the nineteenth century the theories of this kind have so often served as a cloak for aggression that the international can not but seek to prevent any recurrence of such an evil. Any adjustments of boundaries that become necessary must be based exclusively upon the desire of the people concerned.

It is true that it is impossible for the necessary consultation of the desires of the people concerned to be made in any fixed and invariable way for all the cases in which it is required, and that the problems of nationality and territory are not the same for the inhabitants of all countries. Nevertheless, what is necessary in all cases is that the procedure to be adopted should be decided, not by one of the parties to the dispute, but by the supranational authority.

Upon the basis of the general principles herein formulated the conference proposes the following solutions of particular problems:

#### (A) BELGIUM.

The conference emphatically insists that a foremost condition of peace must be the reparation by the German Government, under the direction of an international commission, of the wrong admittedly done to Belgium; payment by that Government for all the damage that has resulted from this wrong; and the restoration of Belgium as an independent sovereign State, leaving to the decision of the Belgian people the determination of their own future policy in all respects.

#### (B) ALSACE AND LORRAINE.

The conference declares that the problem of Alsace and Lorraine is not one of territorial adjustment, but one of right, and thus an international problem, the solution of which is indispensable if peace is to be either just or lasting.

The treaty of Frankfurt at one and the same time mutilated France and violated the right of the inhabitants of Alsace and Lorraine to dispose of their own destinies, a right which they have repeatedly claimed.

The new treaty of peace, in recognizing that Germany, by her declaration of war of 1914, has herself broken the treaty of Frankfurt, will make null and void the gains of a brutal conquest and of the violence committed against the people.

France, having secured this recognition, can properly agree to a fresh consultation of the population of Alsace and Lorraine as to its own desires.

The treaty of peace will bear the signatures of every nation in the world. It will be guaranteed by the league of nations. To this league of nations France is prepared to remit, with the freedom and sincerity of a popular vote, of which the details can be subsequently settled, the organization of such a consultation as shall settle forever, as a matter of right, the future destiny of Alsace and Lorraine, and as shall finally remove from the common life of all Europe a quarrel which has imposed so heavy a burden upon it.

#### (C) THE BALKANS.

The conference lays down the principle that all the violations and perversions of the rights of the people which have taken place, or are still taking place, in the Balkans must be made the subject of redress or reparation.

Serbia, Montenegro, Roumania, Albania, and all the territories occupied by military forces should be evacuated by the hostile forces. Wherever any population of the same race and tongue demands to be united this must be done. Each such people must be accorded full liberty to settle its own destiny, without regard to the imperialistic pretensions of Austria, Hungary, Turkey, or other State.

Accepting this principle, the conference proposes that the whole problem of the administrative reorganization of the Balkan peoples should be dealt with by a special conference of their representatives, or in case of disagreement by an authoritative international commission on the basis of (a) the concession within each independent sovereignty of local autonomy and security for the development of its particular civilization of every racial minority; (b) the universal guarantee of freedom of religion and political equality for all races; (c) a customs and postal union embracing the whole of the Balkan States, with free access for each to its natural seaport; (d) the entry of all the Balkan States into a federation for the concerted arrangement by mutual agreement among themselves of all matters of common interest.



## (D) ITALY.

The conference declares its warmest sympathy with the people of Italian blood and speech who have been left outside the boundaries that have, as a result of the diplomatic agreements of the past, and for strategic reasons, been assigned to the Kingdom of Italy, and supports their claim to be united with those of their own race and tongue. It realizes that arrangements may be necessary for securing the legitimate interests of the people of Italy in the adjacent seas, but it condemns the aims of conquest of Italian imperialism and believes that all legitimate needs can be safeguarded without precluding a like recognition of the deeds of others or annexation of other people's territories.

Regarding the Italian population dispersed on the eastern shores of the Adriatic, the relations between Italy and the Yugo-Slav populations must be based on principles of equity and conciliation, so as to prevent any cause of future quarrel.

It there are found to be groups of Slavonian race within the newly defined Kingdom of Italy, or groups of Italian race in Slavonian territory, mutual guarantees must be given for the assurance of all of them, on one side or the other, full liberty of local self-government and of the natural development of their several activities.

## (E) POLAND AND THE BALTIC PROVINCES.

In accordance with the right of every people to determine its own destinies, Poland must be reconstituted in unity and independence with free access to the sea.

The conference declares further, that any annexation by Germany, whether open or disguised, of Livonia, Courland, or Lithuania would be a flagrant and wholly inadmissible violation of international law.

## (F) THE JEWS AND PALESTINE.

The conference demands for the Jews in all countries the same elementary rights of freedom of religion, education, residence, and trade, and equal citizenship that ought to be extended to all the inhabitants of every nation. It further expresses the opinion that Palestine should be set free from the hard and oppressive Government of the Turk, in order that this country may form a free State under international guaranty, to which such of the Jewish people as desire to do so may return and may work out their own salvation free from interference by those of alien race or religion.

## (G) THE PROBLEM OF THE TURKISH EMPIRE.

The conference condemns the handing back to the systematically cruel domination of the Turkish Government any subject people. Thus, whatever may be proposed with regard to Armenia, Mesopotamia, and Arabia they can not be restored to the tyranny of the Sultan and his Pashas. The conference condemns the imperialist aims of governments and capitalists who would make of these and other territories now dominated by the Turkish hordes merely instruments either of exploitation or militarism. If the peoples of these territories do not feel themselves able to settle their own destinies, the conference insists that, conformably with policy of "no annexations," they should be placed for administration in the hands of a commission acting under the supranational authority or league of nations. It is further suggested that the peace of the world requires that the Dardanelles should be permanently and effectively neutralized and opened like all the main lines of marine communication, under the control of the league of nations, freely to all nations, without hindrance or customs duties.

## (H) AUSTRIA-HUNGARY.

The conference does not propose, as a war aim, dismemberment of Austria-Hungary or its deprivation of economic access to the sea. On the other hand, the conference can not admit that the claims to independence made by the Czecho-Slovaks and the Yugo-Slavs must be regarded merely as questions for internal decision. National independence ought to be accorded, according to rules to be laid down by the league of nations, to such peoples as demand it, and these communities ought to have the opportunity of determining their own groupings and federations according to their affinities and interests. If they think fit they are free to substitute a free federation of Danubian States for the Austro-Hungarian Empire.

## (I) THE COLONIES AND DEPENDENCIES.

The international has always condemned the colonial policy of capitalist governments. Without ceasing to condemn it, the interallied conference nevertheless recognizes the existence of a state of things which it is obliged to take into account.

The conference considers that the treaty of peace ought to secure to the natives in all colonies and dependencies effective protection against the excesses of capitalist colonialism. The conference demands the concession of administrative autonomy for all groups of people that attain a certain degree of civilization, and for all the others a progressive participation in local government.

The conference is of opinion that the return of the colonies to those who possessed them before the war, or the exchange or compensations which might be effected, ought not to be an obstacle to the making of peace.

Those colonies that have been taken by conquest from any belligerent must be made the subject of special consideration at the peace conference, as to which the communities in their neighborhood will be entitled to take part. But the clause in the treaty of peace on this point must secure economic equality in such territories for the peoples of all nations, and thereby guarantee that none are shut out from legitimate access to raw materials; prevented from disposing of their own products, or deprived of their proper share of economic development.

As regards more especially the colonies of all the belligerents in tropical Africa, from sea to sea, including the whole of the region north of the Zambesi and south of the Sahara, the conference condemns any imperialist idea which would make these countries the booty of one or several nations, exploit them for the profit of the capitalist, or use them for the promotion of the militarist aims of the Governments.

With respect to these colonies the conference declares in favor of a system of control, established by international agreement, under the League of Nations and maintained by its guarantee, which, whilst respecting national sovereignty, would be alike inspired by broad conceptions of economic freedom and concerned to safeguard the rights of the natives under the best conditions possible for them, and in particular:

- (1) It would take account in each locality of the wishes of the people, expressed in the form which is possible for them.
- (2) The interests of the native tribes as regards the ownership of the soil would be maintained.
- (3) The whole of the revenues would be devoted to the well-being and development of the colonies themselves.

## ECONOMIC RELATIONS.

IV. The interallied conference declares against all the projects now being prepared by imperialists and capitalists, not in any one country only but in most countries, for an economic war, after peace has been secured, either against one or other foreign nation or against all foreign nations, as such an economic war, if begun by any country, would inevitably lead to reprisals, to which each nation in turn might in self-defense be driven. The main lines of marine communication should be open without hindrance to vessels of all nations under the protection of the League of Nations. The conference realizes that all attempts at economic aggression, whether by protective tariffs or capitalist trusts or monopolies, inevitably result in the spoliation of the working classes of the several countries for the profit of the capitalists; and the working class see in the alliance between the military imperialists and the fiscal protectionists in any country whatsoever not only a serious danger to the prosperity of the masses of the people but also a grave menace to peace.

On the other hand, the right of each nation to the defense of its own economic interests, and in face of the world shortage hereinafter mentioned, to the conservation for its own people of a sufficiency of its own supplies of foodstuffs and raw materials, can not be denied. The conference accordingly urges upon the labor and socialist parties of all countries the importance of insisting, in the attitude of the Government toward commercial enterprise, along with the necessary control of supplies for its own people, on the principle of the open door, and without hostile discrimination against foreign countries. But it urges equally the importance not merely of conservation, but also of the utmost possible development, by appropriate Government action, of the resources of every country for the benefit not only of its own people, but also of the world, and the need for an international agreement for the enforcement in all countries of the legislation on factory conditions, a maximum eight-hour day, the prevention of "sweating," and unhealthy trades necessary to protect the workers against exploitation and oppression, and the prohibition of night work by women and children.

## THE PROBLEMS OF PEACE.

V. To make the world safe for democracy involves much more than the prevention of war, either military or economic. It will be a device of the capitalist interests to pretend that the treaty of peace need concern itself only with the cessation of the struggles of the armed forces and with any necessary territorial readjustments. The interallied Conference insists that in view of the probable world-wide shortage after the war of exportable foodstuffs and raw materials, and of merchant shipping, it is imperative, in order to prevent the most serious hardships, and even possible famine, in one country or another, that systematic arrangements should be made on an international basis for the allocation and conveyance of the available exportable surpluses of these commodities to the different countries, in proportion, not to their purchasing powers, but to their several pressing needs; and that, within each country, the Government must for some time maintain its control of the most indispensable commodities in order to secure their appropriation, not in a competitive market mainly to the richer classes in proportion to their means, but, systematically, to meet the most urgent needs of the whole community on the principle of "no cake for anyone until all have bread."

Moreover, it can not but be anticipated that in all countries the dislocation of industry attendant on peace, the instant discharge of millions of munition makers and workers in war trades, and the demobilization of millions of soldiers—in face of the scarcity of industrial capital, the shortage of raw materials, and the insecurity of commercial enterprise—will, unless prompt and energetic action be taken by the several Governments, plunge a large part of the wage-earning population into all the miseries of unemployment more or less prolonged.

In view of the fact that widespread unemployment in any country, like a famine, is an injury not to that country alone but impoverishes also the rest of the world, the conference holds that it is the duty of every government to take immediate action, not merely to relieve the unemployed, when unemployment has set in, but actually, so far as may be practicable, to prevent the occurrence of unemployment. It therefore urges upon the labor parties of every country the necessity of their pressing upon their governments the preparation of plans for the execution of all the innumerable public works (such as the making and repairing of roads, railways and waterways, the erection of schools and public buildings, the provision of working-class dwellings and the reclamation and afforestation of land) that will be required in the near future, not for the sake of finding measures of relief for the unemployed but with a view to these works being undertaken at such a rate in each locality as will suffice, together with the various capitalist enterprises that may be in progress, to maintain at a fairly uniform level year by year, and throughout each year, the aggregate demand for labor, and thus prevent there being any unemployed. It is now known that in this way it is quite possible for any government to prevent, if it chooses, the occurrence of any widespread or prolonged involuntary unemployment, which if it is now in any country allowed to occur is as much the result of government neglect as is any epidemic disease.

## RESTORATION OF THE DEVASTATED AREAS AND REPARATION OF WRONGDOING.

VI. The interallied Conference holds that one of the most imperative duties of all countries immediately peace is declared will be the restoration, so far as may be possible, of the homes, farms, factories, public buildings, and means of communication whatever destroyed by war operations; that the restoration should not be limited to compensation for public buildings, capitalist undertakings, and material property proved to be destroyed or damaged, but should be extended to setting up the wage earners and peasants themselves in homes and employment; and that to insure the full and impartial application of these principles the assessment and distribution of the compensation, so far as the cost is contributed by any international fund, should be made under the direction of an international commission.

The conference will not be satisfied unless there is a full and free judicial investigation into the accusations made on all sides that particular governments have ordered and particular officers have exercised acts of cruelty, oppression, violence, and theft against individual victims, for which no justification can be found in the ordinary usages of war. It draws attention in particular to the loss of life and property of merchant seamen and other noncombatants (including women and children) resulting from this inhuman and ruthless conduct. It should be part of the conditions of peace that there should be forthwith set up a court of claims and accusations, which should investigate all such allegations as may be brought before it, summon the accused person or government to answer the complaint, to pronounce



judgment, and award compensation or damages, payable by the individual or government condemned to the persons who had suffered wrong or to their dependents. The several governments must be responsible, financially and otherwise, for the presentation of the cases of their respective nationals to such a court of claims and accusations and for the payment of the compensation awarded.

#### INTERNATIONAL CONFERENCE.

VII. The Interallied Conference is of opinion that an international conference of labor and socialist organizations, held under proper conditions, would at this stage render useful service to world democracy by assisting to remove misunderstandings, as well as the obstacles which stand in the way of world peace.

Awaiting the resumption of the normal activities of the International Socialist Bureau, we consider that an international conference held during the period of hostilities should be organized by a committee whose impartiality can not be questioned. It should be held in a neutral country, under such conditions as would inspire confidence, and the conference should be fully representative of all the labor and socialist movements in all the belligerent countries accepting the conditions under which the conference is convoked.

As an essential condition to an international conference the commission is of opinion that the organizers of the conference should satisfy themselves that all the organizations to be represented put in precise form, by a public declaration, their peace terms in conformity with the principles, "no annexations or punitive indemnities, and the right of all peoples to self-determination," and that they are working with all their power to obtain from their governments the necessary guarantees to apply those principles honestly and unreservedly to all questions to be dealt with at any official peace conference.

In view of the vital differences between the allied countries and the central powers, the commission is of opinion that it is highly advisable that the conference should be used to provide an opportunity for the delegates from the respective countries now in a state of war to make a full and frank statement of their present position and future intentions, and to endeavor by mutual agreement to arrange a program of action for a speedy and democratic peace.

The conference is of opinion that the working classes, having made such sacrifices during the war, are entitled to take part in securing a democratic world peace, and that M. Albert Thomas (France), M. Emile Vandervelde (Belgium), and Mr. Arthur Henderson (Great Britain) be appointed as a commission to secure from all the Governments a promise that at least one representative of labor and socialism will be included in the official representation at any Government conference, and to organize a labor and socialist representation to sit concurrently with the official conference; further, that no country be entitled to more than four representatives at such conference.

The conference regrets the absence of representatives of American labor and socialism from the Interallied Conference, and urges the importance of securing their approval of the decisions reached. With this object in view, the conference agrees that a deputation, consisting of one representative from France, Belgium, Italy, and Great Britain, together with Camille Huysmans (secretary of the International Socialist Bureau), proceed to the United States at once, in order to confer with representatives of the American democracy on the whole situation of the war.

The conference resolves to transmit to the socialists of the central empires and of the nations allied with them the memorandum in which the conference has defined the conditions of peace, conformably with the principles of socialist and international justice. The conference is convinced that these conditions will commend themselves on reflection to the mind of every socialist, and the conference asks for the answer of the socialists of the central empires, in the hope that these will join without delay in a joint effort of the international, which has now become more than ever the best and the most certain instrument of democracy and peace.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. DAVIS. Mr. Chairman, there are several gentlemen from our larger States who have requested time to-day—four of them, I believe—and I have been looking for them for the last half hour, and I can not find any of them. Hence, so far as I am concerned, if the chairman so desires, the Clerk can begin the reading of the bill.

Mr. GILLET. I think it fair to suggest that it was not expected to-day that the bill would be taken up. It was supposed that it would be taken up to-morrow, to-day being Calendar Wednesday.

Mr. DAVIS. I indorse what the gentleman has stated.

Mr. WALSH. I assume, if the debate is to proceed under the five-minute rule, that the gentleman should have a quorum here.

Mr. Sisson. We would like to read only a few sections in the fore part of the bill.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

*Be it enacted, etc.,* That one half of the following sums, respectively, is appropriated, out of any money in the Treasury not otherwise appropriated, and the other half out of the revenues of the District of Columbia, in full for the following expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, namely:

Mr. GARD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 1, strike out all the words in line 3, beginning with the word "that," and all the words in line 4, and all the words in line 5, and the words "District of Columbia" in line 6, and insert in lieu thereof the following:

"The following sums are appropriated out of the revenues of the District of Columbia to the extent that they are sufficient therefor, and the remainder out of any money in the Treasury not otherwise appropriated; but the amount to be paid from the Treasury of the United States shall in no event be as much as one-half of said expenses, in

full for the following expenses for the government of the District of Columbia for the fiscal year ending June 30, 1919, except amounts to pay the interest and sinking fund on the funded debt of said district, of which amounts one half is appropriated out of the money in the Treasury not otherwise appropriated and the other half out of the revenues of the District of Columbia."

Mr. Sisson. Mr. Chairman, I make a point of order on the amendment.

The CHAIRMAN. What is the point of order?

Mr. Sisson. That it changes existing law. The present law regulating the District of Columbia provides that half the expenses of the District of Columbia shall be paid out of the District treasury and the other half out of the Federal Treasury. This amendment changes existing law.

The CHAIRMAN. Does the gentleman from Ohio [Mr. GARD] desire to be heard on the amendment?

Mr. GARD. The amendment is one which comes within the purview of the so-called Holman rule, as evidenced by a ruling of the same Chairman who occupied the chair when a similar amendment was presented in 1915, the exception being as to that part of the amendment which makes it germane where the appropriation to be made by the amendment is less than that carried in the original bill. This amendment so provides, and is practically the same amendment which this Chairman, sitting as the Chairman of the Committee of the Whole in 1915, determined to be a proper amendment, and is, I now submit, in every way a proper amendment to the bill.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. Sisson. Mr. Chairman, I looked at the amendment for the purpose of ascertaining whether or not it was the identical amendment presented to the Chair two years ago. I think it was.

Mr. GARD. Yes.

Mr. Sisson. I do not have the other amendment before me. I believe the first portion of the amendment to be identical with the amendment which was ruled upon by the Chair once before. I am not sure whether or not the latter clause in that amendment was passed upon by the Chair at that time, unless the gentleman from Ohio can state that it is the identical amendment.

Mr. GARD. It is the identical amendment, I will say to the Chair.

The CHAIRMAN. The Chair has a recollection about that amendment, and if his memory serves him correctly it was very elaborately argued at that time, and the precedents were looked up, after which the point of order was overruled. Following that precedent, the Chair overrules the point of order. The question is on the amendment offered by the gentleman from Ohio.

Mr. GARD. Upon that point, Mr. Chairman, I would suggest the absence of a quorum.

The CHAIRMAN. The gentleman from Ohio makes the point of order that there is no quorum present. Evidently there is not. The Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Anderson	Dominick	Heintz	Morin
Anthony	Donovan	Hensley	Mott
Austin	Dooling	Hicks	Mudd
Barnhart	Doremus	Hood	Neely
Blackmon	Doughton	Houston	Nichols, Mich.
Borland	Drukker	Howard	Norton
Britten	Dunn	Hull, Iowa	Oldfield
Brodbeck	Dupré	Humphreys	Olney
Browning	Eagan	Hutchinson	O'Shaunessy
Butler	Edmonds	Jacaway	Overstreet
Cannon	Elliot	Johnson, S. Dak.	Padgett
Cantrill	Elston	Johnson, Wash.	Peters
Caraway	Estopinal	Jones	Phelan
Carew	Fairchild, B. L.	Kahn	Polk
Carlin	Fairfield	Kelley, Mich.	Porter
Carter, Mass.	Farr	Kennedy, R. I.	Powers
Clark, Fla.	Fess	Kettner	Pratt
Clark, Pa.	Fields	Key, Ohio	Price
Coady	Fisher	King	Purnell
Connelly, Kans.	Flynn	Kreider	Ragsdale
Cooper, Ohio	Fordney	LaGuardia	Rainey, H. T.
Cooper, W. Va.	Foss	Lee, Ga.	Ramsey
Copley	Gallagher	Leibach	Randall
Costello	Garland	Lever	Reavis
Cox	Garrett, Tex.	Littlepage	Robbins
Crago	Glass	McArthur	Roberts
Cramton	Godwin, N. C.	McCormick	Rodenberg
Crosser	Gordon	McCulloch	Rose
Curry, Cal.	Gray, Ala.	McFadaen	Rouse
Dale, Vt.	Gray, N. J.	McLemore	Rowland
Davidson	Gregg	Madden	Sanders, La.
Denison	Griest	Maher	Saunders, Va.
Dent	Griffin	Mann	Schall
Denton	Hamill	Meeker	Scott, Pa.
Dewalt	Hamilton, N. Y.	Miller, Minn.	Scully
Dickinson	Haskell	Mondell	Sears
Dies	Hawley	Montague	Sherley
Dill	Heaton	Moore, Ind.	Shouse



Slomp	Steele	Templeton	Waldow
Sloan	Stephens, Nebr.	Thompson	Walker
Small	Sterling, Pa.	Tinkham	Ward
Smith, Idaho	Sullivan	Towner	Weaver
Smith, Mich.	Sumners	Vare	White, Mo.
Smith, C. B.	Swift	Verable	Wilson, Tex.
Smith, T. F.	Talbott	Vestal	Winslow
Stafford	Taylor, Colo.	Vinson	

The committee rose; and the Speaker having resumed the chair, Mr. GARNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the District of Columbia appropriation bill, finding itself without a quorum, had caused the roll to be called and 247 Members had answered to their names, and he reported a list of the absentees.

The committee resumed its session.

Mr. GARD. Mr. Chairman, the purpose of the amendment offered by me is to carry into effect not alone two previous actions of this House, but also the unanimous action of a special commission, consisting of three United States Senators and three Members of the House of Representatives, who have made a finding, which finding is the same as that embodied in the amendment I have offered. Its purpose is to stand by the authorization of the issue of the funded debt of the District of Columbia, and when it comes to the payment of municipal expenses, it takes away the fiction of the half and half.

The so-called half-and-half matter has been discussed in the House many times, and the House has twice voted to strike it out because it served no useful purpose. It is purely and entirely a fiction. It can not accomplish any good for the District of Columbia, and it can only work harm to the general taxpayers of the United States, who are called upon to contribute money entirely unnecessary. It had its origin at a time when the assistance of the Federal Government was necessary to take care of certain extraordinary expenditures of the District. But now the District of Columbia, of which the city of Washington is the greater part, has a very small indebtedness; in fact, the indebtedness is being paid for in yearly proportions of appropriation, and in 1924 there will be absolutely no indebtedness. The tax receipts of the District of Columbia have grown largely, and are now far in excess of the tax revenues of 1878.

The plan proposed in this amendment is the sensible plan, the only plan which the cities, towns, and counties in which we live adhere to. The plan is that the District of Columbia shall pay a fair tax; that the rate shall be assessed on an equitable valuation of the real and personal property, and that that sum of money should be applied to the payment of the expenses of the District; that the necessary balance shall be contributed by the Federal Government; no matter what it may be, it shall be contributed so that the District of Columbia will have a proper and substantial government, because this is the national city of the country and should be a model for the capital cities of the world.

To show the limits to which we have gone, Mr. Chairman, I call the attention of the committee to the financial statement of the auditor of the District of Columbia for the year 1918, in which he showed that there is at this time a cash balance to the credit of the District of Columbia in the Treasury of the United States of \$2,664,717.17, with another cash balance on account of the general fund, so that the Federal cash balances amount to \$2,693,509.89 less certain District obligations on account of its share of unadvanced appropriations amounting to \$1,313,290.99, leaving a resulting surplus of revenue from all appropriations and charges to and including June 30, 1916, as above stated, of \$1,380,218.90.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. GARD. Yes.

Mr. JOHNSON of Kentucky. The clerk of the Appropriations Committee informs me that at the end of the fiscal year the District of Columbia will have on hand a balance of approximately \$5,000,000 for which it will have no use. In the meantime the United States Treasury is asked to contribute money to the municipal corporation, which has \$5,000,000 to its credit.

Mr. GARD. In the report which was made accompanying this bill it is stated that the estimated surplus of the District revenues will amount to \$1,482,301.67. These two amounts show, as the gentleman from Kentucky has well said, that in June, 1919, there will be approximately \$5,000,000 in the revenues of the District of Columbia unappropriated and for which there is absolutely no use. The report of the committee discloses a number of most unusual expenses—I mean expenses unusual to the ordinary government of a city—and yet after these usual and unusual expenses at the end of the fiscal year 1919 nearly \$5,000,000 will be in the treasury of the District of Columbia unappropriated, serving no useful purpose, and during all of

that time the people of the United States are being continually asked to raise money for governmental purposes.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GARD. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARD. There is no sound sense in any municipal taxation which piles up a great amount of money in a municipal treasury, unexpended, unused, unasked for, and unnecessary, and that is the situation which to-day confronts the people of the United States and the District of Columbia.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. GARD. Certainly.

Mr. WALSH. Can the gentleman state whether any committee of Congress or otherwise has ever investigated this matter particularly and how recently?

Mr. GARD. I do not know whether the gentleman heard me or not, but I stated that in 1915 a special commission, consisting of three United States Senators and three Representatives in Congress, the gentleman from Illinois [Mr. RAINEY], the gentleman from Wisconsin [Mr. COOPER], and myself, was appointed to consider this matter, and that commission rendered a unanimous report, after practically a month's hearing, that there was no longer any necessity and no reason for adherence to that which is carried in this bill as the half-and-half principle. As I say, there is no reason for it, because it does not operate for any useful purpose. If it did, I would be the last to suggest its abolition.

It has simply resulted in the accumulation of unnecessary amounts of money, gathered from our people all throughout the States of the United States. It will have resulted in the accumulation of nearly \$5,000,000 at the end of the next fiscal year. It can have no other effect, if it be continued for a year or two, than in resulting that the residents of the District of Columbia will have absolutely no taxes to pay. The situation is this, that the United States provides and provides abundantly for the District of Columbia. It holds this to be the national city, and it wants it to be a beautiful and well-kept and orderly city, the seat of this great Government. The Government takes great pride in the city of Washington and in the District of Columbia, and rightfully so, but I maintain there is no reason why the people of the United States should continue to put money into the treasury of the District of Columbia which is unnecessary and unused. Therefore I have offered this amendment, so that the system of taxation may be the same as the system of taxation in every other part of the United States, and that is a fair responsibility upon the part of the residents of the District in the payment of taxes and the recognition on the part of the United States that it is to pay the balance in affording the best facilities of government for this District.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. GARD. Certainly.

Mr. CANNON. I recollect very well when the half-and-half principle was adopted. It was then stated after something of an investigation that the Government of the United States owned one-half of the property in the District, and certainly if it owned one-half then it owns one-half now, and this law was made, as I understand it, in order that the Government should contribute one-half. I was not in the Chamber when the gentleman's amendment was offered, but if it be in order, and is to be voted upon, will it not result in taxing the property of the citizens of the District not only to support the District government, according to the amount of property, but in putting the whole burden upon the property owners of the District?

Mr. GARD. No.

Mr. CANNON. And as a part of my question I desire to say that I do not now own and never did own and never expect to own one foot of property in the District.

Mr. GARD. I will say for the information of the gentleman—and I think I state it advisedly—that the United States does not now own one-half of the property in the District of Columbia, or anything like it, nor did it ever own half the property in the District of Columbia, and that there is no question of increasing the taxation against any resident in the District. The only purpose of this amendment is to see to it that the estimated revenues, which from the District of Columbia are now \$9,204,372, shall be applied toward the government of the District of Columbia, and that all of the other expenses, no matter what they may be—the balance—shall be contributed by the Federal Government; so that there is no increase against the individual taxpayer, and there should be no increase. He should be liable only for a just and fair assessment upon his

property and for taxes to be paid as the result of a fair tax rate made upon that assessment.

Mr. CANNON. But if the policy is adopted that the gentleman suggests, as Congress is supreme touching taxation in the District, is it not likely that, without consultation with the inhabitants of the District, the taxes will be increased from time to time to raise the whole revenue from the private property in the District, notwithstanding the large amount of property owned by the Government, constantly increasing, and the policing and care of that property?

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. CANNON. Mr. Chairman, I ask that the gentleman's time may be extended.

Mr. GARD. I do not desire any further time unless the gentleman desires to ask a question.

Mr. CANNON. That is all.

Mr. GARD. I merely desire to say in answer that there is no possibility of an increase in taxation. There is no possibility of anything being done against the individual taxpayer which is not being done now. It is simply that the owner of property, either real estate or personal, shall contribute as do the people of every other city in the United States, a fair proportion of his property as a tax assessment for benefits received, and there his obligation as a resident ceases.

Mr. CANNON. How is that fair amount to be determined?

Mr. JOHNSON of Kentucky. It is already fixed by law.

Mr. GARD. To be determined as now. A man's property is assessed and the tax rate is applied and he pays taxes like the gentleman does in Danville.

Mr. CANNON. Does the gentleman have any doubt if the policy he refers to shall be adopted as to whether the vast amount of property that the United States owns in the District will go without any contribution?

Mr. GARD. Oh, no; not the slightest doubt, because the United States is contributing continually and fully for the ordinary and usual running expenses of the District of Columbia, and pays entirely from the general funds in the Treasury the expenses incident to and necessary for special improvements, such as the erection of new Government buildings and necessary municipal utilities.

Mr. Sisson. Mr. Chairman, of course Members of the House who have been here for several terms without doubt know that this House has repeatedly passed that amendment by an overwhelming majority. The last vote taken on this matter passed this House by more than 2 to 1.

Mr. JOHNSON of Kentucky. More than 100 majority.

Mr. Sisson. And as a last resort a gentleman at that time a Member of the House—Mr. UNDERWOOD, of Alabama—amended the conference report by inserting in that report the appointment of this commission, three members from the House and three members from the Senate. The joint committee met and went carefully into this matter and made their report to Congress. This is a result of the report of that committee and is exactly what was done by the Committee on Appropriations when Mr. Page, of North Carolina, was then chairman of the subcommittee and Mr. Davis and I were the two conferees, and the bill passed the House and went to the Senate; and, as I said a moment ago, there the matter was hung up in conference, until we finally just quit and declined to have any further conferences. It was thought at that juncture that the House having instructed us by two overwhelming votes to insist upon that amendment we felt that we were not bound to continue the conference further. Then the gentleman from Alabama, as I stated, offered that compromise. That report has been filed. The expenses of that joint committee were paid out of the funds of the two Houses. So it seems to me that nothing could be fairer than to say that the people of the District of Columbia shall pay only a fair rate of taxation on a fair assessment of property and that that is all they should pay, and if Congress then desires to expend more money than that out of the Federal Treasury it is up to the Congress to do that, and we assume that responsibility. One moment more. If we as Congressmen feel that we do the people of the District of Columbia an injustice, and I am sure we would not, then we ought not to pass this legislation; but there are many things that are being done in the District of Columbia by Congress which would surprise Members of Congress unless they should investigate the matter. There are many Members of Congress who perhaps do not know that the water system in the District of Columbia is owned by the United States Government.

Mr. JOHNSON of Kentucky. And built at the Government's expense.

Mr. Sisson. The aqueduct that brings the water from Great Falls here was built by the Federal Government; every penny of it was paid out of the Federal Treasury. The water mains were all laid out of the United States Treasury, and the District of Columbia contributed nothing. Now, a great many large pieces of property here in the District of Columbia belong to the Government, and yet the Government pays the expense of keeping up the property in respect to sidewalks and streets—

Mr. CANNON. Will the gentleman yield?

Mr. Sisson. Yes.

Mr. CANNON. The income from the water exceeds the outgo, does it not?

Mr. Sisson. Well, it is behind now; considerably behind. I will state to the gentleman there has been a change in the last appropriation bill in reference to the water rents. Formerly it all went into the Treasury, and the United States Government then paid all the expenses of the water system. Now the money, of course, still goes into the Treasury, but the expenses of the water system are paid out of the revenues of the water company itself.

Mr. CANNON. One hand washes the other, and then leaves something to the credit of the United States.

Mr. Sisson. The difference is it keeps the books entirely separate, and the water system is self-sustaining.

The CHAIRMAN. The time of the gentleman has expired.

Mr. Sisson. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. Sisson. As a member of this committee I have investigated this matter with a great deal of care. This amendment will not change the rate of taxation, will not change the assessment, will not change the machinery of assessment, will not change the machinery of collection in the least, and the District citizens will pay not a single penny more than they now pay. The only thing that this amendment does is to provide that before any money shall come out of the Federal Treasury you must first use the money collected on the property in the District of Columbia. Then the balance of this appropriation would be paid out of the Federal Treasury. Now, that is all there is to the amendment.

Mr. JUUL and Mr. CRISP rose.

The CHAIRMAN. The gentleman from Illinois [Mr. JUUL] is recognized.

Mr. JUUL. Mr. Chairman and gentlemen, I understand that the fiscal year ends June 30, 1919, and that it is proposed in this bill, H. R. 11692, to appropriate for the expenses of the District of Columbia the sum of \$13,426,393.66. I understand further that the General Government and the District of Columbia each are required to pay \$6,713,196.83. In the first place, I want it distinctly understood that I am friendly to the District, and if this was a bill to give every man and woman of legal age in the District a vote I would favor it.

We are fighting a great war for democracy, and one of the measures we should hurry along here is to do everything to establish democracy at home, and granting the franchise to Washingtonians would be right in line. But I am unable to understand by what manner of reasoning a wealthy city like Washington, which probably in normal times is having from seventy-five to one hundred millions disbursed among its citizens by the National Government annually, should draw on the States in the Union for any aid toward defraying expenses of its local government.

For the fiscal year ending June 30, 1912, the sum contributed by the States toward running the local expenses of the District of Columbia was \$515,793.83 less than the sum to be contributed this year.

The contribution of my State, based upon its population, was as follows:

Toward the District schools.....	\$98,028
For street sewers and water mains.....	37,676
For police.....	31,277
For local improvements and repairs.....	70,775
For salaries and help.....	25,470
For interest—sinking fund.....	29,887
For lighting.....	14,254
For fire department.....	20,455
For charities and corrections.....	42,807
Miscellaneous.....	9,916

Or a total for Illinois of \$379,945; that is, provided that Illinois contributed only according to population. But everybody knows that the larger States in the Union contributed sums far in excess of the figures here mentioned. And not one dollar of these sums could by any stretch of the imagination be said to be expended for national purposes.



On the above basis New York contributed \$614,103 and the State of Georgia \$175,810 toward paying the local expense of the city of Washington.

Now, I can understand that the United States Government ought to pay its share for street improvements outside of public buildings, and I can further understand that if there is a public building on one side of the street and no private one on the opposite side of the street that probably the Nation should be generous and pay the total cost of such local improvements as might become necessary from time to time. But I absolutely fail to understand why a community like Washington, with a flood of gold being poured daily into its lap, should pass the hat around to the 48 States in the Union and ask them to contribute toward its local expenses.

Mr. WALSH. Will the gentleman yield?

Mr. JUUL. Yes, sir.

Mr. WALSH. The gentleman is making a very interesting statement of this question, but I would like to ask him how he computes the different amounts.

Mr. JUUL. I will give it to the gentleman in a couple of minutes. I would not like to give it in my own time, as I have only five minutes.

To illustrate the situation fully by comparing the District of Columbia, or, rather, the city of Washington, with another great city, I want to repeat here that the tax rate in Washington is \$1.50 per \$100 assessed valuation, and that customarily only 66 per cent of the fair cash value of the property here is assessed. The city of Chicago contains about seven townships, and in these townships the tax rate varies slightly on account of the park taxes, which are not uniform.

The property there is assessed on the basis of one-third of the fair cash value, but instead of having one tax to pay, as in Washington, the following taxes were levied and collected for the year 1916:

State tax	\$0.80
County tax	.66
City tax	1.97
School tax	1.87
Sanitary district	.38
Park tax	.70
Total	6.38

So it will be readily realized that if Congress should decide that Washington should pay its own bills, apparently no hardships would be imposed upon the city.

The answer to all this, of course, might be that the taxes in Washington are not too low, but that the taxes of Chicago are too high, and to the latter part of such proposition I would cheerfully agree, only stating that as a State official in Illinois I and many friends labored hard, as everyone knows in that State, to keep the taxes down, but that the ever-increasing demands of the taxing bodies and the ever-increasing accommodations given to the public in the form of great hospitals, bathing beaches, public baths, playgrounds, libraries, and so forth, brought the taxes up to what they now are in spite of us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JUUL. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CANNON. Will the gentleman yield?

Mr. JUUL. Yes.

Mr. CANNON. I believe, in theory, at least, in the State of Illinois, but not in practice, much less property is assessed according to its value and then divided by three, and then that one-third, the gentleman says, is paid, which would make 2 per cent on its value; and yet it is an open secret that the property in the State of Illinois is not assessed, in the first place, at three-fourths of its value.

Mr. JUUL. The gentleman from Illinois states exactly what was correct, but I also want to say for the benefit of the gentleman and the other gentlemen upon this floor that in the State of Illinois, in addition to the approximate 6 per cent on one-third of the fair cash value, there is a special assessment for every local improvement.

In order to be perfectly sure that the property in the District is being assessed on approximately 66 per cent of its present value and that the percentage assessment in Washington as quoted by me here is correct, I called up the tax department in the assessor's office and had the figures verified over the telephone.

It would seem to me that this city ought to be in a position where it could take care of its local expenses and let the Government of the United States devote its \$6,713,196.83 that it is proposed to take out of the National Treasury for national purposes.

I repeat, that it ought to be possible to take this vast sum, which certainly represents the liberty-loan purchases of several

thousand people, and use the money to buy wheat, bacon, clothing, and supplies for our soldiers who are now fighting the battles of our country.

Here is \$6,713,196.83 as a gift or a grant to one of the wealthiest cities in this Union. The only excuse I have heard since I came to Washington as to why the citizens of this city should not pay the expenses of running the city is, "Why should we pay at all? We have no vote." I maintain the bill now pending here does not remedy that evil, but I want to tell you, gentlemen, the day ought to come sooner or later when every citizen of this community should wish to look the citizens from the other parts of the country in the face and wish to pay their own expenses here and not look to the rest of the country for charity.

The gentleman from Massachusetts [Mr. WALSH] asked me what I based my figures on. I want to say to the gentleman the tabulation I have here is for the year 1912-13, and the amount—

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAMILTON of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois may proceed for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. JUUL. The gentleman from Massachusetts asked me on what these figures were based. I want to say they are based on the amount levied against the United States Government for District purposes for the fiscal year of 1911-12. And these figures are, as I stated a minute ago, within \$515,793.83 identically the figures of the present year. Now, in that year the gentleman's State of Massachusetts contributed a total of \$226,849 toward running local expenses of the city of Washington. And I maintain that the city of Washington does not need it, ought not to have it, and should not ask for it.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. JUUL. Yes.

Mr. WALSH. How did the States contribute that money—by a levy of the Government upon each State?

Mr. JUUL. No. Each State pays whatever it has to pay in the form of a tax, internal revenue or otherwise. For instance, the city of Peoria, in my State, has been in the habit of tossing from \$65,000,000 to \$70,000,000 into the National Treasury. The supposition is that that amount of money was tossed into the National Treasury for national purposes.

Mr. WALSH. In other words, it is based on population?

Mr. JUUL. Yes. Instead of utilizing it for national purposes, a part of it at least is being used for local purposes. That is what I object to.

Mr. WALSH. But it is taken out of the returns for internal revenue and income taxes?

Mr. JUUL. Yes, sir. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. The gentleman from Indiana [Mr. Wood] is recognized.

Mr. WOOD of Indiana. Mr. Chairman, this is a very important question. It means the changing of the system of raising revenue and spending it in the city of Washington and the District of Columbia. It may be an old proposition to the older Members here. It is entirely new to the newer Members.

This question was not raised in any manner before the committee having this investigation in charge. It is of sufficient importance, it occurs to me, to warrant its being made an independent measure, where all those interested might have a chance to be heard. I do not think that it is quite fair to the committee itself; I do not believe that it is fair to the people who are vitally affected by it. It is of no concern to me as an individual, except as one of the one hundred million people in the United States. It may be of very great concern to those whose interests are all in the city of Washington.

Above all other times, it occurs to me that this is the most inappropriate time for this radical change. We are living under abnormal conditions throughout this country; in the city of Washington they are more abnormal than in any other place in the United States. By reason of these great war activities here a great amount of wear and tear is going on constantly that would not be reckoned under ordinary circumstances. You take the streets of the city of Washington. They are in bad condition and growing worse constantly by reason of the Government's large trucks and the immense amount of hauling over them, which would not be permitted under any ordinary circumstances.

We saw here the other day that great, immense tank which was brought over here by reason of the war and for the purpose of encouraging and developing enthusiasm for the sale of the Government's bonds. We saw that immense tank going over

the streets of the city and tearing up the paving, much of it, all to pieces. Therefore, it seems to me this is not the time for this change to be made.

I realize that much may be said in favor of this proposition, and I dare say that if it were taken up for investigation much might be said against it. But it occurs to me that now, while this city is torn up from one end to the other by building activities, different from the ordinary conditions in the city of Washington, this radical change should not be had, and this radical change should not be had at any time without the people vitally affected having their day in court.

Mr. SWITZER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yec.

Mr. SWITZER. Is the report of the commission referred to by the gentleman from Ohio [Mr. GARD] in the hands of the Appropriations Committee or of the District Committee?

Mr. WOOD of Indiana. It is not. I never heard of it before. This question was not even mooted during the weeks of hearings that we had on the bill in the committee. Therefore I say that to the Members of this body who are new here, this is entirely a new and novel question; and it occurs to me that it is of such vital importance that the fullest development of facts and the fullest hearings should be had before any steps are taken toward making this change. If it is a good thing, it will last. They have been under this system for many years, and the results have not been disastrous. They might be disastrous now if the proposed changes were made, and we might bring injustice to those upon whom we would not care to have it brought. If the change is to be had, it should be had in normal times. It should not be had in times so abnormal as we now have in the city of Washington. Therefore I think this amendment should not be carried. It should be at least deferred until the next session of this Congress, when hearings might be had and when those of us who are not acquainted with these investigations might have the opportunity at least of being permitted to read them before we are required to vote upon the question.

The assertion is made by the gentleman from Ohio [Mr. GARD] who is the proponent of this amendment, that it will make no change whatever in the taxation, that it will make no change as far as the assessment of values is concerned. Then what is the real purpose? The real purpose must be that the money now in the Treasury may be expended for governmental purposes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. I ask for one minute more.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. WOOD of Indiana. That money may be needed to make the repairs I have spoken about and to replace the wear and tear that is now going on by reason of these extraordinary activities. In any event this radical change should not be made at this time, and until there has been a full and fair investigation.

Mr. JOHNSON of Kentucky. Mr. Chairman, the gentleman from Indiana [Mr. Wood] has just urged that this is not the appropriate time for this change to take place. That argument has been used for many years, until it has become an established fact that an appropriate time will never come for those who favor the continuance of the half-and-half. When a similar amendment was last before the House that same argument was used. Finally, as the gentleman from Mississippi [Mr. Sisson] has just stated, the matter got into conference and was there being thrashed out. When the conferees were deadlocked on the subject Mr. UNDERWOOD, of Alabama, who was then in the House, offered an amendment providing for a commission to investigate this matter and report to Congress, and that was adopted. Three Members of the Senate were appointed and three Members of the House were appointed. If I remember correctly—and I am quite sure I do—all six of those Members voted against doing away with the half-and-half plan; but when they had investigated the subject they brought in a report saying that the half-and-half plan was no longer necessary or advisable. Their report is accessible to every Member who wishes to see it.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield for a question?

Mr. JOHNSON of Kentucky. I do.

Mr. GREEN of Iowa. When was that report filed? I have forgotten.

Mr. JOHNSON of Kentucky. In the first session of the Sixty-fourth Congress.

Mr. GARD. It was filed early in January, 1916.

Mr. JOHNSON of Kentucky. The question arises, what is the use of continuing the half-and-half proposition? Why should the United States Government continue to match dollar

for dollar that is raised here in the way of taxation? As a result of the United States going into her Treasury to pay half, at the end of the next fiscal year there will have accumulated in the treasury of the District of Columbia a surplus of approximately \$5,000,000. Now, with approximately \$5,000,000 in the treasury of the District of Columbia, why should the United States go into her own Treasury to pay any part of the expenses? If there was a deficit in the District treasury, or if the entire amount of money raised by the District of Columbia was being used, then it might be argued that it was worth while to go into the Treasury of the United States to aid the District of Columbia; but with a surplus accumulating all the while, I can not see the necessity for continuing the half-and-half.

Mr. CANNON. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I do.

Mr. CANNON. I believe this \$5,000,000 to the credit of the District of Columbia is deposited in the United States Treasury?

Mr. JOHNSON of Kentucky. It is there as a trust fund.

Mr. CANNON. As a trust fund, and can not get out except by legislation of Congress?

Mr. JOHNSON of Kentucky. It can not.

Mr. CANNON. So the United States has the use of it?

Mr. JOHNSON of Kentucky. But why compel the United States to contribute to a municipal corporation that is so prosperous that it has to its credit \$5,000,000 more than it needs?

Mr. CANNON. And the United States contributes its half, and that remains in the Treasury, does it not, until it is paid out?

Mr. JOHNSON of Kentucky. It remains there until the Commissioners of the District of Columbia draw their warrant against it and take it out and spend it.

Mr. CANNON. If they do, it has got to be done under law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. CARY. Will the gentleman permit an interruption?

Mr. JOHNSON of Kentucky. I will.

Mr. CARY. Is it not a fact that the Government also builds the streets and sewers in the city of Washington?

Mr. JOHNSON of Kentucky. The streets are built on the half-and-half plan. It has been said by the gentleman from Illinois [Mr. CANNON] that somebody has said that the Government owns half the property here.

The Government never has owned that much. Way back yonder in Boss Shepherd's time he got up a table in which he charged all the streets to the United States, all the public space to the United States, all that is in the rivers to the United States, and all the parks to the United States. He charged all these up to the ownership of the United States, and then could not make it appear that the United States owned half of the area of the District of Columbia; but, driven to a final statement, he said the Government then owned approximately half of the values in the District of Columbia. But even that was not true. Now, the claim is made, particularly by the editor of the Star, who seems to be the spokesman for the District of Columbia, not that the District of Columbia pays a greater rate of tax than any other city of comparable size but that the people here pay a greater per capita tax than is paid in other cities. There are a number of rich men here and there are a number of poor people as well. The poor people own nothing or but little and the rich own a great deal, and, in that way, the per capita tax is great. When it comes down to the property tax, I maintain that it is less in this city than in any other city of a comparable size in the world.

Three years ago I made a speech on the subject, and at that time I had before me 40 cities, 20 a little larger in population than the District of Columbia and 20 just a little smaller than the population of the District of Columbia. The property tax in the District of Columbia was less than in any of them. Now, bear in mind one thing, you gentlemen who have not heard the matter discussed before, in the District of Columbia there is but one tax, and that is a municipal tax. The real estate is taxed at a rate of \$1.50 a hundred on a two-thirds valuation, which makes it only \$1 a hundred. That is the only tax it pays, while in every other city of the United States there is a municipal tax, a county tax, and also a State tax. Then it pays school and other special taxes. Here they pay one tax, which makes it a very much less tax than in any other city in the world.

Mr. JUUL. Will the gentleman yield?



Mr. JOHNSON of Kentucky. Yes.

Mr. JUUL. I want to state for the benefit of the gentleman that in my city we pay a local park tax of \$1 on the valuation, also a municipal, county, and State tax, besides a sanitary tax.

Mr. JOHNSON of Kentucky. Before concluding my remarks I wish again to call attention to the fact that during the entire controversy in years gone by the editor of the Washington Star, speaking for the District, has insisted that the half-and-half plan should not be abolished until a fair commission had been appointed to determine whether or not it ought to be done. When this commission was appointed, consisting of six men, every one of whom voted against the abolition of the half-and-half plan, the Star said it was a fair commission, made up of men who were absolutely impartial. Now, when they have reported, the advocates of the half-and-half plan wish to repudiate that report made by the commission selected in the way I have named, and which everyone has said was fair and impartial.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRISP. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes. I have taken but very little time of the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none.

Mr. CRISP. Mr. Chairman and gentlemen of the House of Representatives, to those who have been here some time I can add nothing to what I have already said on the floor of the House in advocacy of the repeal of what is known as the half-and-half act. In the Sixty-third Congress I introduced a bill to repeal it and made a lengthy speech in favor of the abolition of this law. To the new Members let me say in that Congress the House overwhelmingly passed a bill to repeal the act of June 11, 1878, known as the half-and-half act, and it went to the Senate and there died. In the succeeding Congress similar action was taken in this House, and the Senate again defeated the bill.

Now, there is a great misconception or ignorance among the membership of the House generally as to the municipal laws and affairs in the District of Columbia. It may astonish some of you to learn that when the Government took charge of this territory in 1800, two years thereafter, on May 2, 1802, Congress chartered the city of Washington, so that the city of Washington is a municipal corporation. From that time to 1871 the city of Washington had a mayor and council, managed its own affairs, levied its own taxes, and conducted its business the same as Chicago, Milwaukee, Cleveland, or any other city in the United States. The Government had nothing whatever to do with the municipality save that the Government in a spirit of fairness and equity yearly made such contributions to the municipal government of the city of Washington as Congress thought just, in view of the amount of property the Government owned in the District of Columbia.

This condition continued until 1874, when a commission form of government was created for the District. Why was a commission form of government established? Because in 1867 a law was passed conferring the right of franchise upon the negroes in the District, and they became such an active, discordant element in municipal politics that this commission form of government was adopted. In 1878 the act known as the half-and-half act was passed. Under that act the people here voluntarily gave up their right to vote, and the act provided that the General Treasury should pay half the expenses of the municipal government. My very distinguished and much admired friend, the gentleman from Illinois [Mr. CANNON], in this discussion asked as to the amount of property the Government owned at that time. I have in my hands a copy of a speech which I made upon the floor of the House several years ago relative to this question, and in it I have some figures as to the amount of land owned by the Government. At the time the act known as the half-and-half act was passed there were 6,110 acres of land in the city of Washington covered by that act and the Government owned only 1,523 acres, and nearly all of the land that the Government owned consisted of parks, and the citizens of Washington, of course, got the greatest benefit from those parks. At the present time there are 33,000 acres of land, including the streets and sidewalks, in the District. The Government owns 5,000 acres, and I venture to say there are not 400 acres owned by the Government used exclusively by the Government for its governmental activities. The rest of it is to be found in parks.

Mr. JOHNSON of Kentucky. The gentleman means that not 400 acres are used exclusively by the Government?

Mr. CRISP. That is what I tried to make plain.

Mr. JOHNSON of Kentucky. I went into that subject thoroughly, and I found there are less than 50 acres in the District of Columbia used exclusively for Government purposes.

Mr. CRISP. I wanted to be absolutely fair to the District.

Mr. JOHNSON of Kentucky. And there are 45,000 acres in the District of Columbia.

Mr. CRISP. That effectually disposes of the question of my distinguished friend from Illinois [Mr. CANNON].

What does the proposed amendment do? The proposed amendment simply provides that the citizens of Washington shall be required to pay a reasonable tax, Congress to determine what amount that tax shall be, and when the taxes are paid all the money thus raised shall first be expended in paying the municipal expenses of the District of Columbia, and then whatever other money is necessary, which Congress in its judgment deems should be expended, is to be appropriated out of the General Treasury. What will be the practical effect of this law if it is carried on for a year or two longer? I assert that the citizens of the city of Washington pay a lower rate of property tax than the people of any other city near its size anywhere in the world. Up to the time of the agitation for the repeal of the half-and-half act, there was no tax whatever here on intangible personal property such as money, notes, mortgages, and so forth. Now there is a small tax of three-tenths of 1 per cent upon intangible personal property. The tax upon tangible personal property is \$1.50 a hundred, but there is a tax exemption, I think, of about \$1,000 worth of household furniture, and so forth. The tax upon real estate is \$1.50 a hundred, assessed upon a two-thirds valuation, which makes \$1 a hundred upon the value of the property.

Bear in mind that in your State, gentlemen, you have a city tax, you have a county tax, you have a State tax. There is only one tax here. There is no State tax, there is no county tax. It is simply this city tax, and the tax on real estate is \$1 a hundred. I challenge any one of you to get up and say that in your State, if you live in a city, that your people do not pay a higher tax on real estate than \$1 on the hundred, if such is the case. That is the low rate of taxation here. Carry this act to its logical conclusion and a year or two from now it may not be necessary to levy any taxes here for a year or more. Why? As has been stated in this debate, there is now in the Treasury to the credit of the District of Columbia over \$2,000,000. At the end of June 30, 1918, it is estimated there will be over \$4,000,000 to the credit of the District in the Treasury. In the next year or two, if this surplus continues to be added to, you will have six or seven million dollars in the Treasury to the credit of the District, and then you will not have to levy any tax rate here upon private property, because if you have half enough in the Treasury to the credit of the District to meet one-half of the annual appropriation budget, the United States must pay the other half; thus you have ample funds according to the half-and-half law to pay the entire expenses of the municipality, without levying one cent of tax on private property owners in the District. The people of the several States would be made to bear the tax burdens of the District, in addition to paying their own taxes.

Now, that is why we who believe this law is unjust to the people of the United States are asking that this half-and-half act be repealed. I would not do the citizens of Washington an injustice. I know the Federal Government owns large amounts of property here, and I do not want the Federal activities to be a burden upon the citizens of Washington. I want the Federal Government to pay whatever is equitable, right, and just on account of the property it owns here, but I do not want the people here to be immune from taxation and your constituents and my constituents be made to pay their tax burden. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. Sisson. Does the gentleman from Michigan desire to take any time now; if so, how much does he want?

Mr. McLAUGHLIN of Michigan. Five minutes at least.

Mr. GREEN of Iowa. I would like to have five minutes.

Mr. Sisson. Mr. Chairman, I ask unanimous consent that at the end of 10 minutes all debate on this amendment close, and I will state that as soon as the vote is taken on this amendment I expect to move that the committee rise.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that all debate on this amendment close at the end of 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I have given some thought to this matter as it has been before the House from time to time, but I think I have never before taken part in the discussion. I recognize what has been said, as I think others should, that perhaps the half-and-half system is not exactly right or just to the Federal Government, but because of that I am not prepared to accept as correct the plan suggested by the gentleman from Ohio [Mr. GARD] in the amend-

ment he has offered. I do not believe, Mr. Chairman, that this Government ought to escape taxes upon its vast property in the city of Washington or that it ought to pay taxes only in case the people of the city fail to contribute enough money to meet all expenses. I think the Government, owning property of immense value here, ought to pay some taxes; that the Congress ought to be able to determine how much money is necessary to meet expenses of running the city and to make all necessary and proper improvements; that it ought in some way to determine the proportion that the Government should pay and the remaining portion that the people of the District should pay on their property. Now, it is urged by the gentlemen supporting the amendment of the gentleman from Ohio [Mr. GARD] that as the Government contributes in lieu of taxes one-half of the expenses of this city, and the taxable property of the city pays the other half, that because the people and the property of Washington pay a small amount of money, smaller in proportion to the value of the property than is paid in any other city in the country, that therefore it is wrong and that the city is imposing upon the Government. I do not believe that. The people of this city may be so fortunately situated that they can escape a large burden of taxation. If they can properly do so it is their right and privilege. Gentlemen who have spoken lay it as a charge against the people of Washington that their tax rate is low and that taxes are less in proportion to value of property and advantages enjoyed than in other cities of the country; that property owners of Washington have to pay only one tax, a city tax, instead of a number of taxes, such as city, county, and State taxes, as the people of almost every other city in the country have to pay. Washington and its people are not to be blamed for that condition; it is a privilege they enjoy or a burden they escape. It is pointed out that the valuation of taxable property is only two-thirds of the full value and that the rate is only 1½, making a rate of taxation of 1 per cent on the full value, as in some States. That is certainly a very low rate, but the people of this city may be entitled to it. If the Government contributes what it ought to contribute in proportion to the value of its property, if the burden placed upon the people of the District is so reduced that it is only 1 per cent—to an insignificantly small sum—the people of the city are entitled to the benefit of it.

Mr. FESS. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I am afraid I have not the time, but I will yield to the gentleman.

Mr. FESS. If there is a surplus in the Treasury, is it not true that probably that could be very well expended for improvements that are very much needed?

Mr. McLAUGHLIN of Michigan. The fact that there is money in the Treasury indicates that too much has been levied, that is all.

Mr. FESS. Has not been expended.

Mr. McLAUGHLIN of Michigan. Perhaps so, but it is true also that too much has been levied. The answer is that the people of the city have paid such a small amount. No people are ever asked or ought to be asked to pay more than enough to run their Government, and the fact that money is left in the Treasury is an indication that the people of the District have paid more than they ought to have been asked to pay under the plan in vogue; that is, the half-and-half plan.

Mr. WALSH. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I am afraid I can not. If the half-and-half plan is not right, let it be two-thirds on the city and one-third on the Government, or let it be four-fifths on the city and one-fifth on the Government, but I insist the Federal Government ought not, in justice and right, to escape taxation on all its immense property in this city.

There is a Government building in the city in which I live. The Government pays nothing on it; no taxes. I have heard gentlemen say here that by analogy the Government of the United States ought not to be required to pay taxes on any of its property here. I do not believe that. I do not think the cases are parallel. I think the Government of the United States ought not to pay on its post-office building in my city, but I think it ought to pay, and pay properly, on its immense holdings in the city of Washington.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, this city has benefited immensely by the location of the National Capital here. There are half a dozen cities—I do not know but there are a dozen—that would gladly pay the cost of every public improvement we have in this city and guarantee to never ask a cent from the Public Treasury if only the Capital could be moved there. Every day thousands of dollars are brought in here by reason of the Capital being located at this point. The city benefits every year

hundreds of thousands of dollars by reason of the Capital being here. And if, in my judgment, there was a proper civic spirit on the part of the citizens of this city they would never be asking in time of war that they should not pay the same rate of taxation that is paid in other towns.

Now, what is the situation? A vast fund of millions of dollars has been accumulated in the Treasury. For what purpose? In order that they may be able to reach the time when it will equal the one-half they ought to pay, and then they will not have to pay a cent. It is said that public improvements are needed here. If so, why do not they take this fund and apply it in that way? Why do not they use this money for that purpose instead of endeavoring to create a fund so that they will pay no taxes whatever? Why, at this time, Mr. Chairman, when we are struggling in every way possible to raise the money that is necessary to carry on this great war, do these people come in here and say that they do not even want to pay ordinary taxes the same as are paid in other towns, instead of paying less to-day than is paid in any other city in the country?

Now, what is asked by this amendment of the gentleman from Ohio [Mr. GARD]? What can be fairer than to ask that this fund, which has come out of the low rate of taxes, should be applied to the necessary expenses of this city? If the streets need improving, let them improve them; but, from what I have seen around here, I think somebody has been sitting up of nights trying to find some way of putting more money and more expense on the streets and improvements in this town. A gentleman said that tanks go over the streets and are hard on the paving, but this is not the only town in which tanks have been exhibited. Trucks go over the streets; so they do in other cities. Are the other cities complaining and asking that the Government should contribute more money in order that they may escape their share of just taxation? What reason is there why this amendment should not prevail? There is none, in fairness and justice.

Every citizen of this country at this time should come forward and say, "I want to pay my fair share of taxes. I do not want to be deprived of the privilege of paying my fair share of taxes in this crisis of my country's affairs and when so much money is needed in the country's Treasury." But Washington, I believe, is the only city that can be found where such circumstances could exist. They are unwilling to pay even this lower rate of taxation, which has produced this great fund. They say that the Government owns a large amount of property here. So it has in value. Who takes care of it? The Government. Does it cost the city of Washington anything to police the Capitol or the other Government buildings? No; there would be the same expense for police if these buildings were not here. Do they pay for the walks around them or paving the roads on Government grounds? No. Do they pay for the water supply here or any expenses connected with Government property? No; not a cent. If all this Government property was removed, what would be the difference to the city so far as expenses are concerned? Its officers do not care for it. They pay no attention to it. They have no relation to it.

By the lavish expenditure of public money we have created here the most beautiful city in all this broad land. We have adorned it with magnificent buildings, upon some of which the treasures of art and architecture have been lavished without regard to expense. Hundreds of millions of dollars of public money have been spent upon its broad avenues, its shaded streets, its parks and grounds in making it the cleanest and handsomest city in all America. To this the whole population of the country have contributed, although an insignificant portion only will ever so much as see the objects upon which their money has been spent. Far from objecting to this, the people generally wish to make Washington a show city and the pride of the Nation. They only ask that its citizens shall pay the same taxes as they themselves do. In order that this may be done I favor the amendment of the gentleman from Texas [Mr. BLACK].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. GARD].

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

#### GENERAL EXPENSES.

Executive office: Two commissioners, at \$5,000 each; engineer commissioner, so much as may be necessary (to make salary \$5,000); secretary, \$2,700; three assistant secretaries to commissioners at \$1,600 each; clerks—one \$1,500, three at \$1,400 each, one \$1,200, one (who shall be a stenographer and typewriter) \$1,200, one \$840, two at \$720 each; two messengers, at \$600 each; stenographer and typewriter, \$1,200.

Mr. SISSON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.



Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 11692, the District of Columbia appropriation bill, and had come to no resolution thereon.

## LEAVE OF ABSENCE.

The SPEAKER laid before the House the following telegram:  
BOSTON, MASS., April 30, 1918.

Hon. CHAMP CLARK,  
Speaker of the House of Representatives, Washington, D. C.:

Request leave of absence for balance of week on account of important business. Since Government has commandeered wool supply of United States, I, as wool merchant, am compelled to shut up shop and go out of business, practically, and this is just why I am here.

RICHARD OLNEY, M. C.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

## LEAVE TO EXTEND REMARKS.

Mr. JUUL. Mr. Speaker, I want to ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

## ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title; when the Speaker signed the same:

H. R. 10613. An act to provide for the collection and disposal of garbage and miscellaneous refuse of the District of Columbia.

## SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3771. An act authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government; to the Committee on the Judiciary.

## ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 56 minutes p. m.) the House adjourned until to-morrow, Thursday, May 2, 1918, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Los Angeles Harbor, Cal., with a view to dredging a channel of adequate width and depth in the West Basin (H. Doc. No. 1072); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

2. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Alien Property Custodian submitting an estimate of appropriation required by the Alien Property Custodian for salaries and expenses of his office for the fiscal year 1919 (H. Doc. No. 1073); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Acting Secretary of the Interior, of the 25th instant, submitting a deficiency estimate of appropriation for stationery, Department of the Interior, for the fiscal year 1918 (H. Doc. 1074); to the Committee on Appropriations and ordered to be printed.

4. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of the Missouri River between Yankton and Vermillion, S. Dak. (H. Doc. No. 1075); to the Committee on Rivers and Harbors and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SIMS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10297) to amend an act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers

engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, reported the same with amendment, accompanied by a report (No. 533), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DILLON: A bill (H. R. 11847) to confer further jurisdiction and powers upon the Court of Claims to determine and report the interest, title, ownership, and right of possession of the Yankton Tribe of Sioux Indians in and to the land known as the Red Pipestone Quarries; to the Committee on Indian Affairs.

By Mr. SIMS: A bill (H. R. 11848) to amend section 336 of the Revised Statutes of the United States, relating to the annual report on the statistics of commerce and navigation of the United States with foreign countries; to the Committee on Interstate and Foreign Commerce.

By Mr. DENT: A bill (H. R. 11849) to authorize the President to further increase temporarily the Military Establishment of the United States; to the Committee on Military Affairs.

By Mr. ZIHLMAN: A bill (H. R. 11850) in relation to the chief clerk and others in the Steamboat-Inspection Service; to the Committee on the Merchant Marine and Fisheries.

By Mr. VARE: Joint resolution (H. J. Res. 285) providing for the designation of an official insignia for the relatives of members of the Army, Navy, or Marine Corps who lose their lives in active service in the war with Germany and Austria; to the Committee on Military Affairs.

By Mr. CAREW: Memorial of the Legislature of the State of New York, pledging its resources to the vigorous prosecution of the war, and favoring the entrance of the United States into a league of nations to safeguard peace; to the Committee on Foreign Affairs.

By Mr. KENNEDY of Rhode Island: Memorial of the General Assembly of the State of Rhode Island, indorsing the proposed council of States on the establishment of a definite relationship between sources of Federal and State revenues; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 11851) granting a pension to Mary L. Colwell; to the Committee on Invalid Pensions.

By Mr. BORLAND: A bill (H. R. 11852) granting an increase of pension to John H. Beatty; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 11853) granting a pension to Willets Haas; to the Committee on Invalid Pensions.

By Mr. BURNETT: A bill (H. R. 11854) granting an increase of pension to Richard G. Myrick; to the Committee on Invalid Pensions.

By Mr. GOOD: A bill (H. R. 11855) granting a pension to Eliza McDaniel; to the Committee on Invalid Pensions.

By Mr. HAMILL: A bill (H. R. 11856) granting an increase of pension to William H. Black; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 11857) granting a pension to Hattie Geske; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11858) granting a pension to Lillie Geske; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11859) granting a pension to Bertha Hansmann; to the Committee on Invalid Pensions.

By Mr. JUUL: A bill (H. R. 11860) granting a pension to Margaret Holly; to the Committee on Invalid Pensions.

By Mr. McANDREWS: A bill (H. R. 11861) granting a pension to Lewis H. Abbott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11862) granting a pension to Marie W. Rocky; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 11863) granting a pension to Edward S. Coffin; to the Committee on Pensions.

By Miss RANKIN: A bill (H. R. 11864) granting an increase of pension to Alfred Blake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11865) for the relief of A. F. Meldrum; to the Committee on Claims.

By Mr. SANDERS of New York: A bill (H. R. 11866) granting an increase of pension to Christian Miller; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 11867) granting an increase of pension to Franklin Forgey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11868) granting an increase of pension to Thomas P. Byers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11869) granting a pension to William A. Fox; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CARY: Petition of Archbishop Messmer, urging the exemption of divinity students in the new draft law; to the Committee on Military Affairs.

By Mr. DARROW: Resolutions adopted by the Philadelphia Bourse, advocating free zones in the ports of the United States; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Pennsylvania State Executive Committee, Patriotic Order Sons of America, in behalf of House bill 9786, allowing reduced rates of transportation for men in the military and naval service of the United States; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: Petitions of the Jacksonville (Ill.) Creamery Co. and J. R. Middendorf, opposing enactment of House bill 3777; to the Committee on Agriculture.

By Mr. JOHNSON of Washington: Memorial of the mayor and councilmen of the city of Tacoma, Wash., favoring regulation of prices of wheat substitutes; to the Committee on Agriculture.

By Mr. MEEKER: Petition of 20 citizens of St. Louis, in favor of prohibiting the sale of all intoxicating beverages during the period of the war; to the Committee on the Judiciary.

By Mr. MOORE of Pennsylvania: Resolutions passed by a mass meeting in Philadelphia Sunday, April 21, protesting against the conscription of the manhood of Ireland by England; to the Committee on Foreign Affairs.

By Mr. NOLAN: Memorial of Associated Chambers of Commerce of the Pacific Coast (C. W. Burks, secretary), San Francisco, Cal., favoring permanent merchant marine and foreign trade policy for the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. WELTY: Resolution of the Lima (Ohio) Trades and Labor Council, in the matter of Thomas J. Mooney et al.; to the Committee on the Judiciary.

#### SENATE.

THURSDAY, May 2, 1918.

Rev. J. L. Kibler, of the city of Washington, offered the following prayer:

O God, our Father in heaven, we thank Thee for Thy great love and for the multitude of Thy tender mercies. We thank Thee for all the provisions of Thy grace and for our marvelous opportunities amid the dangers of to-day. We thank Thee for all the supplies Thou hast through Thy kind providence placed in our hands. Help us to lay hold upon these forces for meeting all the demands that are upon us and for meeting the demands of this critical time.

O Thou God of battles, help us at this time. Strengthen our armies that are battling for the right across the seas to-day. Uphold Thou the laws of justice and righteousness for which they contend and which are the habitations of Thy throne. As Thy right hand and Thy holy arm brought victory to Israel in the long ago, so may we trust in Thy almighty power to-day, and may the time speedily arrive when wars shall cease to the ends of the earth and when permanent peace shall be established among all nations. We ask it in the name of Christ the Lord. Amen.

The Vice President being absent, the President pro tempore assumed the chair.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Tuesday, April 30, 1918, when, on request of Mr. OVERMAN and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### AIRCRAFT PRODUCTION.

Mr. BRANDEGEE. Mr. President, the other day I presented to the Senate a communication written by Mr. Gutzon Borglum to the New York Times relating to our aeroplane service. It was stated on the floor by certain of my friends on the other side of the Chamber at that time that there were intimations that Mr. Borglum had some financial interest connected in some way

with aeroplanes or aeronautics. I did not know about that matter and could not say anything about it at all, and so I was unprepared to enter upon that phase of it. Of course, if he had, naturally any criticism that he made upon the service or the production of aircraft would be to a certain extent discounted.

I have received from Mr. Borglum a telegram which, I think, in justice to him ought to be read by the Secretary, giving his statement about whether he is interested or not financially. I should like to have the Secretary read it.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary read as follows:

STAMFORD, CONN., April 30, 1918.

Senator BRANDEGEE,

Capital Building, Washington, D. C.:

Please deny absolutely that I had or have interest in any aeroplane company or monetary benefits by result of inquiry. That I and others invented by interests who most dread investigation, and since middle of January have used every means to invalidate and interfere even with Senate inquiry. I also deny that I have discussed other than general evidence with anybody, nor will I, except before a judicial non-partisan body. My letter to Times, written solely to protest against automobile interests blaming Squier for everything. Aeronautic production is still in the clutches of the ring and no headway will be made by Mr. Ryan or anyone else until that is broken up. Tell Senator THOMAS that the only reason my inquiry hurts anybody is that it is expert. My inquiry was finished February 12.

GUTZON BORGLUM.

Mr. BRANDEGEE. The New York Times on yesterday published a review of the report, with the full text of the findings of the Aeronautical Society of America, in relation to this same subject, and I ask that that be read by the Secretary.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary proceeded to read and was interrupted by Mr. THOMAS. Mr. President, may I ask what the Secretary is reading? I have just come into the Chamber.

Mr. BRANDEGEE. He is reading an account in the New York Times of the report of the investigations of the Aeronautical Society of America.

Mr. THOMAS. In yesterday's issue?

Mr. BRANDEGEE. Yes, sir; in yesterday's issue.

The Secretary resumed and concluded the reading of the matter.

Mr. WADSWORTH subsequently said: Mr. President, in view of the statement made a few moments ago by the Senator from Arkansas [Mr. KIRBY] with respect to the report of the Aeronautical Society of America, out of order I ask unanimous consent that the full report be included in the remarks of the Senator from Connecticut [Mr. BRANDEGEE], who is just now absent from the Chamber and who made the original request. Objection was made by the Senator from Arkansas, which was later withdrawn.

The PRESIDENT pro tempore. Does the Senator desire it printed in the Record in lieu of the partial report?

Mr. WADSWORTH. In lieu of the partial report, as read from a copy of a newspaper.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

The report referred to is as follows:

THE AERONAUTICAL SOCIETY OF AMERICA (INC.),  
New York, April 2, 1918.

FREDERICK W. BARKER, Esq.,

President of the Aeronautical Society of America,

New York City.

SIR: I beg to transmit herewith the first report of the investigating committee of the Aeronautical Society of America.

Respectfully,

LEON CAMMEN, Chairman.

#### REPORT.

The investigating committee of the Aeronautical Society of America was appointed in August, 1917, with instructions to follow the developments in the execution of the aeronautical program and to advise the society of any opportunities which might offer themselves for it to be of service to our Government.

It has, however, become apparent at an early date that the execution of the aeronautical program was being diverted into paths where the possibility of success was distinctly imperiled. As time went on the committee saw with dismay the issuance of statements by the Government which it was compelled to regard as untrue. For a while it was under the impression that such statements were issued for the deliberate purpose of misleading the enemy. It regrets to have to say, however, that it has become apparent since that it was to mislead the American people that these statements were issued.